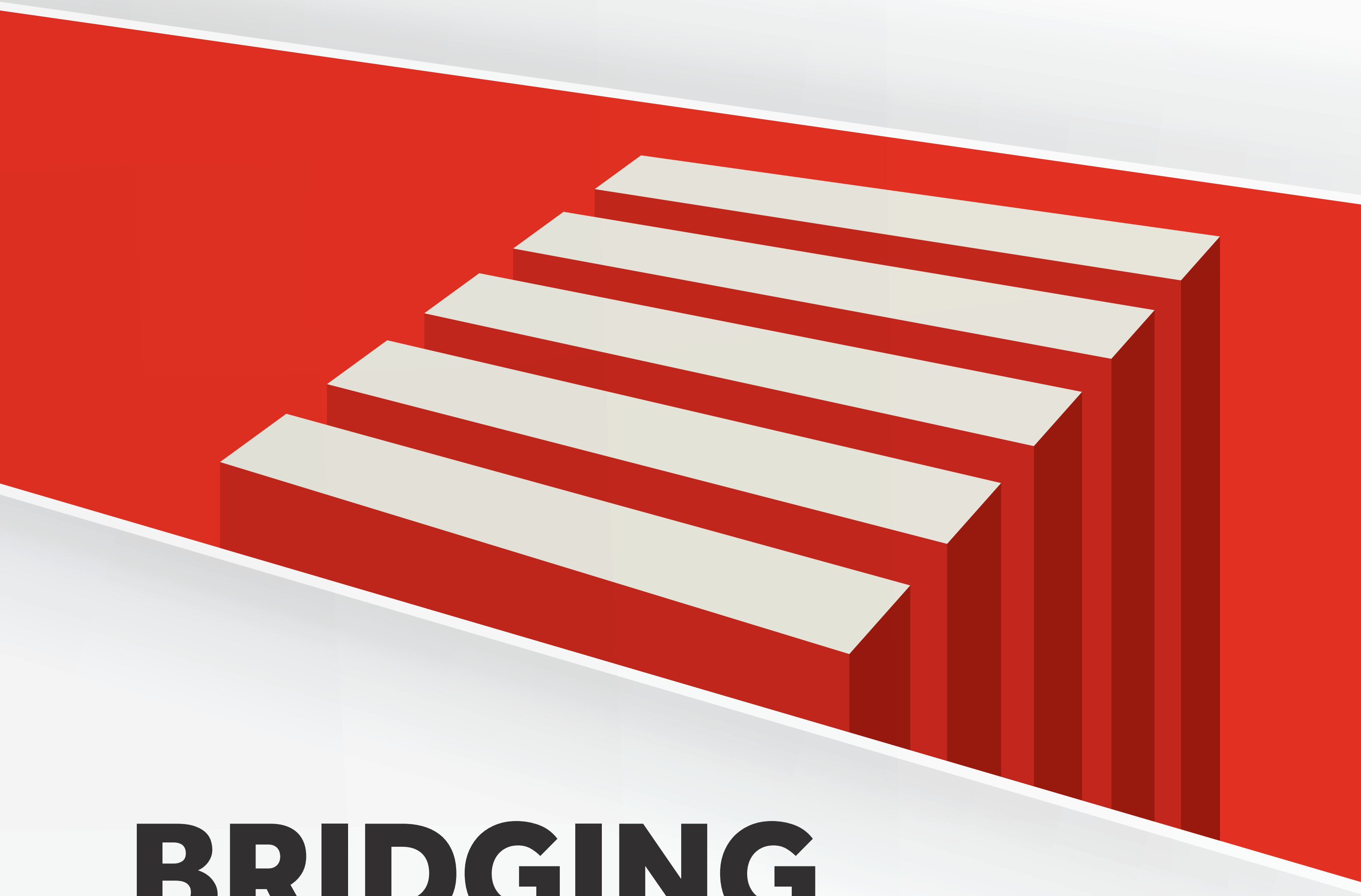


BRIDGING GROWTH

HIAP HOE LIMITED
ANNUAL REPORT 2024

ABOUT HIAP HOE

Hiap Hoe Limited is a regional premium real estate group listed on the Mainboard of the Singapore Stock Exchange. Known for the development of luxury and mid-tier residential as well as hotel-cum-commercial properties that are distinct in design and preferred for their excellent location and investment prospects, the Group holds a diversified portfolio of hospitality, retail, commercial and residential assets.

Hiap Hoe's flagship development is Zhongshan Park, an integrated hotel-cum-commercial development along Balestier Road that sits just opposite the historic Sun Yat-Sen Nanyang Memorial Hall, a national monument that pays tribute to the father of the 1911 Chinese Revolution. Comprising the first property in Singapore of the Aloft hospitality brand and the brand's largest in the world, Aloft Singapore Novena, Zhongshan Mall and an office tower, the development has a strong heritage connection and an old world charm.

Other local properties in the Group's portfolio include distinctive projects such as Skyline 360° At St Thomas Walk, Waterscape At Cavenagh, The Beverly, Signature At Lewis and HH@Kallang, among others.

In 2013, Hiap Hoe set its sights overseas and acquired assets in prime locations in Australia that fit the Group's strategy of growing its recurring income stream. Hiap Hoe's inaugural integrated hotel-cum-residential development project, Marina Tower, Melbourne further expanded the Group's hospitality portfolio in Australia and, by 2017, Hiap Hoe had entered into the United Kingdom's hospitality industry with the purchase of Holiday Inn Express Trafford City in Manchester. In 2018, the Group further expanded its presence in Western Australia with the purchase of Aloft Perth Hotel and a commercial office building at 25 Rowe Avenue. In 2023, the Group added the Great Eastern Motor Lodge, Perth, Western Australia to its international portfolio and by April 2024 had disposed off its Four Points by Sheraton, Melbourne Docklands property.

Hiap Hoe's strategic acquisition of SuperBowl Holdings Limited in 2014 consolidated its position as a sizeable player in the real estate industry and brought in additional revenue streams from the leasing business and leisure activities to add greater income stability for the Group.

VISION

A richer life for each of us.

MISSION

To provide sustainable long term returns to our stakeholders as we uphold our leading reputation as a homegrown premium developer of quality developments. Only the best carries our signature.

OUR BUSINESS

PROPERTY DEVELOPMENT & INVESTMENTS

- An integrated development at Zhongshan Park that comprises the Hiap Hoe Building office tower, a shopping mall and two hotel towers under the Aloft hospitality brand, Aloft Singapore Novena.
- Development of residential and industrial properties in Singapore as well as in Melbourne, Australia.
- Property investments in retail and office spaces located across prime areas in Singapore.
- Two commercial office buildings at strategic locations in Perth, Australia for recurring income streams.

HOSPITALITY

- Aloft Singapore Novena, the largest Aloft hotel in the world, in Singapore's Balestier neighbourhood comprising two towers with a total of 781 rooms and 4 suites.
- Aloft Hotel, under management by Marriott International, a 15-storey hotel with 224 rooms in Perth, Australia.
- Holiday Inn Express Trafford City, a 6-storey modular hotel with 220 rooms in Manchester, the United Kingdom.
- Great Eastern Motor Lodge, a 198 bedrooms with 180 parking spaces property on the Great Eastern Highway in Perth, Australia.

INVESTMENTS

- Over S$280 million of investments with a diversified portfolio in listed equities, fixed income instruments, and mutual and private equity funds for both quoted and unquoted investments.
- The Group diversifies its investments by business sector and country, with primary investment focus in real estate and hospitality assets.

LEISURE

- SuperBowl, Southeast Asia's leading provider of indoor sports and recreation facilities, operates in eight centres at various parts of Singapore. It is one of the largest owners and operators of bowling centres in Singapore, with a total of 180 bowling lanes.

CHAIRMAN & CEO MESSAGE

Dear Shareholders,

On behalf of the Board of Directors, we are pleased to present Hiap Hoe's Annual Report for the financial year ended December 2024 ("**FY 2024**").

The year saw us complete the A$40.0 million (S$35.1 million) acquisition of the Great Eastern Motor Lodge at Rivervale, Western Australia, a property that has, as expected, contributed positively to our recurring revenue streams in 2024 through high occupancy and average daily rates. The Great Eastern Motor Lodge, offering 198 bedrooms and 180 parking spaces situated on a 11,892 sq m freehold site, has proven to be a prime investment.

Aloft Singapore Novena makes its mark

Since completing refurbishment on the property in 2023, our newest addition to our Singapore portfolio of hospitality properties, Aloft Singapore Novena, is beginning to contribute positively to our revenue streams. Part of Marriott Bonvoy's portfolio of 30 extraordinary brands, Aloft Hotels offers vibrant social spaces and innovative music programming as part of its draw. The largest Aloft property in the world, Aloft Singapore Novena is a rebrand of our properties at 16 Ah Hood Road and 1 Jalan Rajah.

Committed to elevating our portfolio for sustainable growth

The Group remains committed to upholding our reputation as a premium real estate group with a diversified portfolio of hospitality, retail, commercial and residential assets globally. Our efforts to strengthen our recurring income base through better rental yields and occupancy rates of our properties will remain a top objective, including conserving our liquidity while maintaining a stable balance sheet position.

Our leasing portfolio at Zhongshan Mall and the Hiap Hoe Building office tower recorded a 99% and 95% occupancy rate in FY 2024 respectively. The occupancy rates in Orchard Towers rose to 53% in 2024, up from 48% in FY 2023, a sign that tenants continue to be drawn to this prime location now that the Police Licensing & Regulatory Department has ceased to issue Public Entertainment Licenses for the property. Additional rental income contributed from the SuperBowl's group of properties continue to provide greater income stability for the Group.

Our eight SuperBowl centres across Singapore are designed as vibrant lifestyle hubs and family-focused entertainment destinations, catering to residents of all ages within their communities.

The Group will continue to focus on strengthening recurring income and will explore acquisition opportunities and capitalise on investments when market conditions turn favourable.

Strength beyond borders: Strong contributions from our international assets

Our Aloft Perth hotel has proven to be a stellar acquisition and is contributing positively to the Group's performance. Our 25 Rowe Avenue and 130 Stirling Street office building properties continue to generate a steady positive and recurrent revenue stream, with occupancy rate of 81% and 76% in FY 2024 respectively.

Amid a recovering UK economy, our Holiday Inn Express Trafford City hotel in Manchester has performed in line with expectations. Its strategic location near Old Trafford football stadium, the Trafford Centre as well as close proximity to the city centre continues to drive its contribution to our earnings.

Disposal of Four Points by Sheraton, Melbourne

Marina Tower, our waterfront site at Docklands, Melbourne, was acquired in December 2013 and was developed into an integrated residential-cum-hotel development project. This comprised of a hotel, Four Points by Sheraton Melbourne Docklands, and two residential towers with a total of 461 residential units. In February 2024, we entered into a Sale & Purchase Agreement with WFM Financial Holdings Pty Ltd to dispose off the hotel property for A$96.0 million (S$84.5 million). The disposal was completed in April 2024, with the proceeds used to repay the Group's bank borrowings and for working capital.

Financial performance

The Group recorded revenue of S$125.4 million in FY 2024, an increase of S$13.5 million from S$111.9 million recorded in the previous financial year ("**FY 2023**"). The increase was mainly attributed to the higher revenue from hotel operations, particularly from Aloft Singapore

CHAIRMAN & CEO MESSAGE (CONTINUED)

Novena. The Group recorded an increase in rental revenue from S$28.9 million in FY 2023 to S$29.3 million in FY 2024, mainly due to the higher occupancies in the Group's properties. The Group's leisure business contributed S$11.1 million across all eight bowling centres in FY 2024 as compared to S$11.2 million recorded in FY 2023.

Included in Other income of S$25.9 million was a gain of S$18.2 million on the disposal of the hotel at Four Points by Sheraton, Melbourne Docklands.

The Group recorded a fair value gain of S$24.3 million in financial instruments across asset classes, particularly from the Group's investments in the hospitality sector internationally. This is lower as compared to a fair value gain of S$26.4 million recorded in FY 2023.

Foreign exchange loss of S$6.6 million in FY 2024 was recorded by the Group as compared to a loss of S$2.6 million in FY 2023, mainly due to the fluctuations of the Australian dollar, Euro and United States dollar exchange rates against the Singapore dollar.

Included in Other expense of S$59.9 million were the operating costs and expenses for upkeep and maintenance of properties, marketing related expenses and an impairment loss of S$4.1 million on the investment property at Stirling Street in Perth.

The Group registered a profit after tax of S$6.6 million in FY 2024 versus a profit after tax of S$5.5 million in FY 2023.

As at 31 December 2024, the Group's financial standing was sound with net asset value per share for the Group at S$1.52 and shareholders' equity attributable to owners of the Company at S$715.1 million.

Staying the course: Focussed on stability and resilience

FY 2024 brought challenges and hope as we balanced our portfolio of properties by acquiring the Great Eastern Motor Lodge and divesting the Four Points by Sheraton, Melbourne Docklands. The Group expects the growth in the hospitality industry to remain dampened by weakening global financial confidence in the coming year, but expects this to be mitigated with improved rental yields and occupancy rates of the Group's properties in other sectors. With continued challenges from rising operating costs, global economic uncertainties and inflationary pressures, our investments portfolio may continue to be affected by market volatility. We remain focused on maintaining a healthy balance sheet and will continue to exercise prudence with respect to non-essential capital expenditure. The Group will thread with care to explore opportunistic acquisition to continue to deliver sustainable returns to its shareholders.

Dividend

The Group declared an interim dividend of 0.25 Singapore cents per ordinary share in August 2024. To thank our shareholders for their continued support, the Board of Directors is pleased to recommend a final one-tier tax exempt dividend of 0.50 Singapore cents per ordinary share for FY 2024 which is the same for FY 2023.

Acknowledgements

We extend our heartfelt thanks to our fellow Board Members for their invaluable guidance, leadership, and support throughout the financial year. Our deep appreciation also goes to our management team and staff for their hard work, dedication and unwavering commitment. Additionally, we sincerely thank our shareholders and all stakeholders for their continued trust and support in the Group's business.

Teo Ho Beng
Executive Chairman

Teo Keng Joo, Marc
Chief Executive Officer

FINANCIAL HIGHLIGHTS

	2024 $'000	2023 $'000	2022 $'000	2021 $'000	2020 $'000
Group Income Statements					
Revenue	**125,357**	111,887	119,399	93,688	79,552
Profit/(Loss) before Tax	**17,201**	6,080	(23,609)	26,535	(36,838)
Net Profit/(Loss) Attributable to Owners of the Company	**6,569**	5,559	(22,001)	21,196	(36,709)
Group Balance Sheets					
Non-Current Assets	**1,109,834**	1,129,432	1,208,123	1,258,473	1,274,596
Current Assets	**480,333**	459,821	361,821	370,189	318,577
Current Liabilities	**202,567**	307,325	412,003	392,224	522,699
Non-Current Liabilities	**669,370**	559,057	436,310	480,575	329,665
Equity Attributable to Owners of the Company	**715,120**	719,744	718,446	752,511	737,447
Per Share Data (Cents)					
Earnings Attributable to Owners of the Company (Basic)	**1.40**	1.18	(4.67)	4.50	(7.80)
Net Assets Value	**151.97**	152.96	152.68	159.92	156.72
Dividend	**0.75**	0.60	0.75	0.50	1.00
Financial Ratios					
Debt Equity Ratio (Times) [1]	**1.07**	1.05	1.04	1.03	1.02
Net Debt Equity Ratio (Times) [2]	**0.98**	1.00	0.97	0.99	1.00
Current Ratio (Times)	**2.37**	1.50	0.88	0.94	0.61
Dividend Yield (%)	**1.29**	0.94	1.00	0.77	1.55
Dividend Payout (%)	**53.73**	50.79	(16.04)	11.10	(12.82)

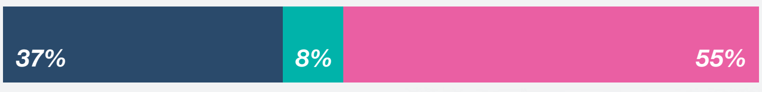
Revenue by Segments	2024 $'000	2023 $'000
Hotel Income	83,976	71,400
Rental and Carpark Income	29,289	28,941
Leisure Business	11,071	11,218
Development Properties	1,021	328
	125,357	111,887

2024 Revenue by Segments **Total S$125.4 million**

2023 Revenue by Segments **Total S$111.9 million**

2024 Revenue by Geographical **Total S$125.4 million**

2023 Revenue by Geographical **Total S$111.9 million**



Revenue by Geographical	2024 $'000	2023 $'000
Australia	42,238	41,853
United Kingdom	8,860	8,463
Singapore	74,259	61,571
	125,357	111,887

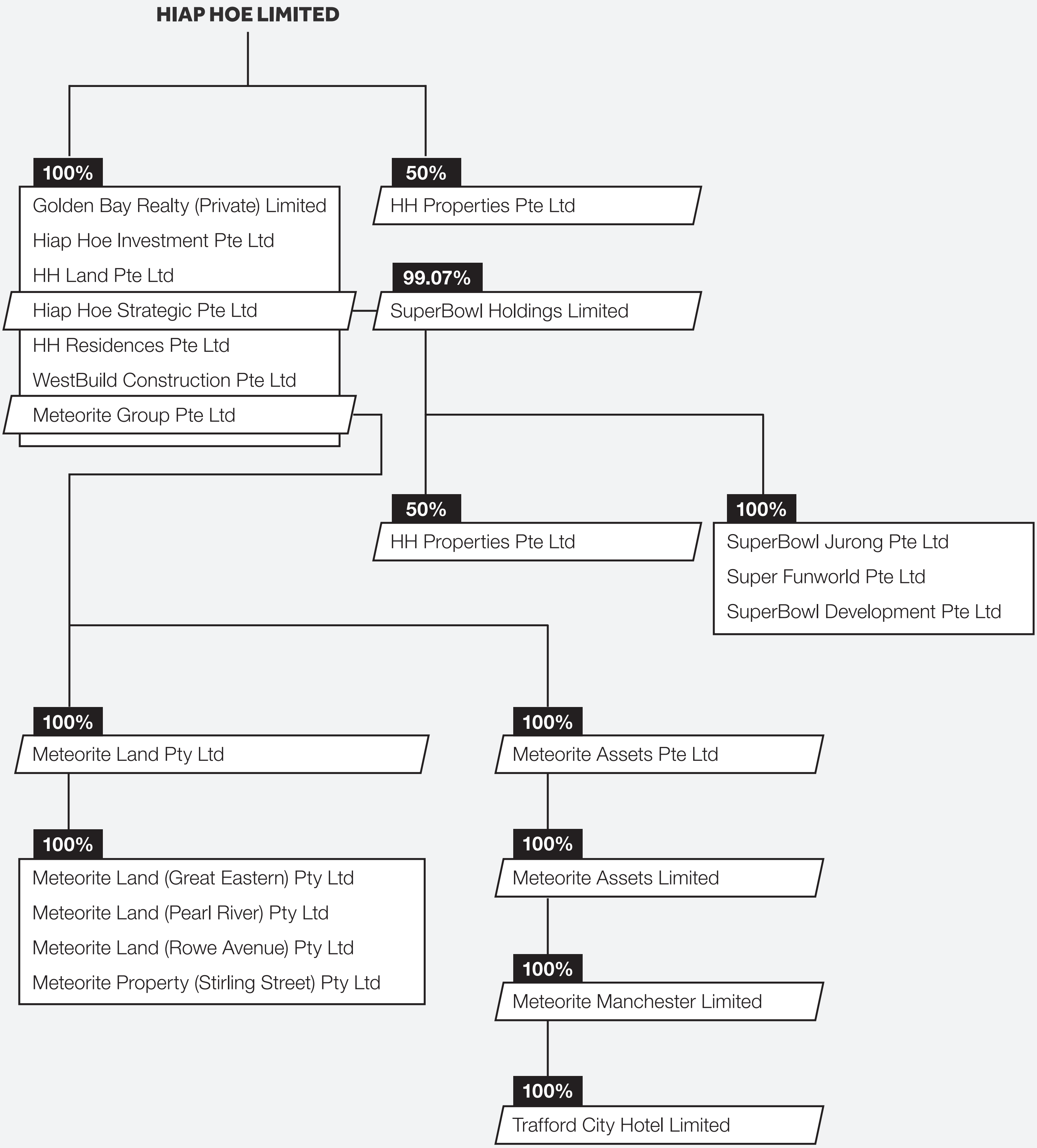
Notes

(1) Debt includes amount due to related companies (non-trade) and lease liabilities.

(2) Net debt is debt less cash and short-term deposits.

GROUP STRUCTURE

AS AT 31 DECEMBER 2024



BOARD OF DIRECTORS

TEO HO BENG
Executive Chairman
Last re-elected in 2024

Mr Teo was appointed as Director of Hiap Hoe Group in 1983. He was redesignated as Executive Chairman and relinquished his role as the Chief Executive Officer in Hiap Hoe Group on 2 January 2024. Mr Teo held the position as Chief Executive Officer from 2006 and was previously the Executive Chairman of the Board from May 2012 to May 2017. Mr Teo has more than 42 years of experience in the construction and property industries, and over 27 years of experience in the leisure industry. Mr Teo is responsible for the formulation of corporate strategies and policies for Hiap Hoe, and the implementation of these strategies by senior management at the operations level. Mr Teo chairs the financial investment committee for the Group's investment portfolios and senior management meetings to monitor Hiap Hoe's performances, including oversees management, budgeting and forecasting processes to ensure there is prudent financial management. Mr Teo also sits on the board of Ley Choon Group Holdings Limited as Non-Executive Director.

TEO KENG JOO, MARC
Chief Executive Officer
Last re-elected in 2024

Mr Teo was appointed as Executive Director on 11 May 2017 and was redesignated as Chief Executive Officer in Hiap Hoe Group on 2 January 2024. Mr Teo oversees the Group's hospitality portfolio and is responsible for the Group's overseas expansion plans and corporate investments. Mr Teo also heads Project Management and Business Development in Singapore and Australia. Prior to joining Hiap Hoe, Mr Teo spent two years with Ernst & Young Singapore. Mr Teo graduated from Nanyang Technological University with a Bachelor of Accountancy (First Class Honours) degree and holds a diploma in Quantity Surveying conferred by Global School of Technology & Management and articulated by Heriot Watt University, UK.

TAN KIM SENG
Executive Director

Mr Tan was appointed as Executive Director of Hiap Hoe on 1 July 2024. He launched his career in hospitality by winning the inaugural Shangri-La Scholarship in 1981 to pursue a degree at Cornell University's School of Hotel Management in the USA, graduating top of his class as Class Valedictorian in 1985. His 4 decades of experience span the Asia Pacific, in management and corporate roles at Shangri-La Asia, Allgreen Properties, Millennium & Copthorne Hotels (a CDL company), Meritus Hotels & Resorts, and OUE Group. He has also served on a number of corporate boards and committees – Director of the Singapore Hotel Association Board; President of the Singapore Serviced Apartments Association; Advisor on the Cornell-Nanyang Institute's Advisory Panel; Advisor for the SAFRA Strategic Review Steering Committee; Vice-President of the Cornell Hotel Society; Executive Committee of the Orchard Road Business Association; Advisor on the SDH Institute Industry Advisory Board; and Honorary Advisor for Horwath International's Advisory Board; and previously as Independent Non-Executive Director of SGX-listed Maveric Limited, and Independent Non-Executive Director at Amara Holdings Limited. He is currently also an Independent Representative on the Board of Directors of Club Wyndham Asia.

BOARD OF DIRECTORS

CHAN KUM ONN ROGER
Lead Independent Non-Executive Director
Last re-elected in 2024

Mr Chan was appointed as Independent Non-Executive Director of Hiap Hoe on 3 May 2023 and was subsequently appointed as the Lead Independent Director on 2 January 2024. Mr Chan has over 40 years of experience in auditing, accounting and taxation work and has been a practising Chartered Accountant since 1980. He is currently an Executive Director of R Chan & Associates PAC (Chartered Accountants of Singapore). Mr Chan is also experienced in insolvency, corporate secretarial and management consultancy work. His clients include many small and medium sized enterprises and subsidiaries and branches of multinational corporations covering a diverse range of industries. Mr Chan is a Fellow member of The Association of Chartered Certified Accountants, a member of the Institute of Singapore Chartered Accountants, a member of the Singapore Institute of Directors and an Accredited Tax Advisor (Income Tax and GST) of the Singapore Chartered Tax Professionals.

ONG SEET JOON AMOS
Independent Non-Executive Director
Last re-elected in 2024

Mr Ong was appointed as Independent Non-Executive Director of Hiap Hoe on 2 January 2024. Mr Ong has three decades of commercial banking experience, spanning across areas such as strategy and budgeting, asset-liability management, business development, credit risk & marketing, client coverage and solutioning, as well as general management. Mr Ong was with Maybank from 1992 to 2021. He held various positions including Country Head of Maybank Hong Kong, President and Chief Executive Officer of Maybank Philippines Inc. and Head of Client Coverage and Global Banking at Maybank Singapore. Mr Ong co-founded A3 Capital Pte Ltd, a privately held specialist real estate investment platform based in Singapore undertaking Real Estate Fund Management, Asset Management and Syndication, and is a Co-Managing Partner there. Mr Ong holds a Master of Economics degree from Macquarie University and graduated with a Bachelor of Arts (Economics) with First Class Honours from London Metropolitan University.

KWOK CHUI LIAN
Independent Non-Executive Director
Last re-elected in 2024

Ms Kwok was appointed as Independent Non-Executive Director of Hiap Hoe on 2 January 2024. Ms Kwok started her career with Citibank and has 20 years of extensive experience in OCBC and held various senior positions during her tenure in the Bank. She was the President and Chief Executive Officer of AFC Merchant Bank (AFC) from 2008 to 2017 and retired recently from her position as advisor to the Chief Executive Officer in Resona Merchant Bank Asia Limited. During her tenure at AFC, she also held the position of Secretary General of the ASEAN Bankers Association. Ms Kwok holds a Bachelor of Arts (Hons) degree in Economics. She is a Fellow of The Institute of Chartered Secretaries and Administrators and a Fellow member of Singapore Institute of Directors. Ms Kwok has attended executive management programmes at both Wharton-SMU University in 2004 (General Management Program) and The Wharton School at the University of Pennsylvania in 2006 (The Leadership Journey-Creating and Developing your leadership). Ms Kwok was also an Independent Non-Executive Director of Hiap Hoe from September 2012 to April 2015.

KEY MANAGEMENT

ROLAND TEO HO KANG
Executive Director of Subsidiaries

Mr Teo has more than 27 years of experience in the property and leisure industries and is responsible for overseeing the marketing and promotion of Hiap Hoe's properties and their performance. He also takes care of the Group's product development and staff development. Mr Teo holds a Bachelor in Business Administration from the American Intercontinental University.

TEO POH SIM AGNES
Head, HR & Admin

Ms Teo joined the Group in February 2003 and is responsible for formulating the human resource and administration policies of the Group. Ms Teo has more than 14 years of experience in human resource and administration and oversees the Group payroll, staff welfare and staff development as well as general administration matters. Ms Teo holds a Bachelor of Arts degree from the Pacific Union College (USA).

TEO HO KHEONG ANDREW
Executive Director of Subsidiaries

Mr Teo has been appointed as Executive Director of a few major subsidiaries of the Group. Mr Teo is responsible for the business development of SuperBowl's bowling business and assists in the formulation of its operational and marketing plans.

IRENE CHEAH LAN KWEE
Chief Financial Officer

Ms Cheah is responsible for the overall finance, compliance, corporate governance, treasury function and accounting aspects of the Group. Ms Cheah joined the Group as a Financial Controller in June 2015 and prior to joining the Group, she was the Vice President Finance with The Straits Trading Company Limited and was responsible for financial and management reporting, budget, tax as well as cash and risk management in relation to the Group's various business segments. She was also actively involved in some of the Group's merger and acquisition projects. Ms Cheah is a Chartered Accountant of Singapore and is a Fellowship member of The Association of Chartered Certified Accountants.

RISK MANAGEMENT

Risk management is an integral part of the management of our Group's business. The Group's risk management framework is designed to enable Management to address operational risks, financial risks and compliance risks of key operating units within the Group. Risk management and control procedures are reviewed and updated regularly to reflect changes in market conditions and the activities of the Group. The following sets out an overview of the key risks faced by the Group, the nature and the extent of the Group's exposure to these risks and the mitigating actions in place to address these risks.

INTEREST RATE EXPOSURE

Changes in interest rate are a major influence on the bottom line because the Group's investments are mainly financed through bank borrowings. Interest rate risk is managed by arranging different credit facilities with various banks at competitive rates. The Group minimises interest rate risk by considering cash flow forecasts, terms of debt obligations and market outlook. Interest rate hedging instruments are also explored where appropriate.

FOREIGN EXCHANGE RISK

The Group is exposed to foreign exchange risk as a result of its foreign operations in Australia and United Kingdom and its trading investments. The Group uses loans in foreign currency to hedge its exposure to foreign exchange risk on both its trading investments and investments in foreign operations. The Group also considers forward currency contracts to manage these exposures, where appropriate.

LIQUIDITY RISK

Liquidity risk is the risk that the Group will encounter difficulty in meeting its financial obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from mismatches between the maturities of financial assets and liabilities. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

MARKET PRICE RISK

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates). The Group is exposed to equity price risk arising from its trading investments. The Group does not have exposure to commodity price risk.

BUSINESS CONTINUITY RISK

In order to sustain the business as a real estate developer, the Group needs to acquire land at competitive prices for development, but such opportunities are not always available due to industry outlook and consumer demand. To ensure continual growth, the Group has diversified its reliance on development of residential properties by venturing into hospitality, leasing and leisure businesses for stable recurring income streams.

OPERATIONS REVIEW

Aloft Singapore Novena

PROPERTY DEVELOPMENT AND INVESTMENTS

Our Singapore commercial/retail rentals recorded a higher $/sq ft as compared to 2023 and our rental rates continue to follow the market trend. A good portion of our local portfolio of properties enjoyed full or near full occupancy rates in the year under review. The 13-storey Hiap Hoe Building office tower, the 50,000 sq ft two-storey Zhongshan Mall, and two hotel towers under the Aloft hospitality brand, Aloft Singapore Novena, make up the Group's 190,000 sq ft integrated development at Zhongshan Park. Both Zhongshan Mall and Hiap Hoe Building office tower were near full occupancy at 99% and 95% respectively in FY 2024 and have achieved full committed occupancies as at end of year. Meanwhile, the occupancy rate for HH@Kallang, the Group's freehold light industry building located in the heart of Singapore's key growth areas, Paya Lebar Central and the city centre, was 96% in FY 2024.

Orchard Towers is a mixed development in the prime location of Orchard Road. The occupancy rate of the Group's 21 retail spaces and 38 offices in the property increased from 48% in FY 2023 to 53% in FY 2024, a trend we continue to see since the withdrawal of the Public Entertainment License by the Police Licensing & Regulatory Department.

From a regional perspective, the Group will take a prudent yet strategic approach to enhancing the value of

Yuè @ Aloft

Guest bedroom at Aloft Singapore Novena

An event held at Zhongshan Park

its investments while exploring new avenues for growth. Situated on the northern edge of Perth's Central Business District, the Group's premium seven-storey commercial building at 130 Stirling Street, Australia, currently maintains a 76% occupancy rate. The property features 11,801 sq m of office space and 263 sq m dedicated to retail, and is seamlessly connected to key transport hubs, including the Perth Central and McIver railway stations, ensuring convenient citywide access.

Additionally, Hiap Hoe's commercial asset at 25 Rowe Avenue in Perth boasts a net lettable area of 10,571 sq m and is strategically positioned near several prominent blue-chip corporations in Rivervale. With a current occupancy rate of 81%, this investment is expected to strengthen the Group's recurring income stream in the long term.

HOSPITALITY

In 2023, the Group introduced the Aloft brand to Singapore with the launch of Aloft Singapore Novena. This transformation of the properties at 16 Ah Hood Road and 1 Jalan Rajah has infused the Balestier neighbourhood with dynamic and adaptable spaces, complemented by a rich blend of local cuisine, culture and entertainment. Designed by the acclaimed KKS International, Aloft Singapore Novena embodies a bold personality and a deep appreciation for music. A standout feature in the hotel lobby is an 85-inch video wall displaying digital art from renowned artists such as Refik Anadol and Jonathan Monaghan.

Spanning two towers, the hotel boasts 781 rooms and four suites, along with a variety of dining and entertainment offerings. These include Yuè, a contemporary Chinese restaurant; 21 on Rajah, a halal-certified buffet restaurant blending Mediterranean and

Great Eastern Motor Lodge in Perth, Australia


Pool view

Asian flavours; Re:fuel by Aloft, a 24/7 "grab-and-go" concept for ultimate convenience; and the signature W XYZ bar, a lively social hub situated in the lobby.

The largest Aloft hotel worldwide, the property is equipped with two Re:charge gyms, one in each wing, as well as the Splash Pool set on an open deck. Business and event needs are well-catered to with five modern meeting spaces, while the outdoor event lawn offers an ideal venue for special occasions such as birthday celebrations or intimate wedding receptions.

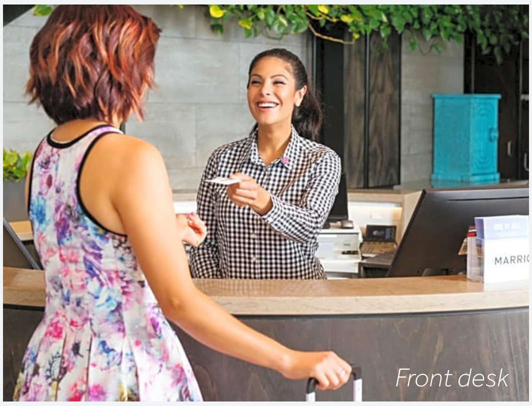
The Group completed its acquisition of the Great Eastern Motor Lodge, a positive addition to its Perth portfolio in 2024. Located along the Great Eastern Highway in Western Australia, the property sits on a 11,892 sq m freehold site and offers 198 bedrooms and 180 carparking spaces. It benefits from an array of transport connections and serves as a focal point of the inner-city suburb of Rivervale, an area currently undergoing a comprehensive regeneration involving multiple residential, commercial and lifestyle venue developments.

The Group owns Aloft Perth Hotel in Australia, which has 224 rooms and is managed by Starwood Australia Hotels Pty Ltd, part of Marriott International. The property recorded an occupancy rate of more than 91% in 2024, in spite of an increase in average room rates.

The Group's residential waterfront development in Melbourne, Marina Tower, consists of two residential towers, 43 storeys and 36 storeys, with a total of 461 residential units. The Group divested Four Points By Sheraton in 2024, part of the integrated development at Melbourne Docklands, when it entered into a sale and purchase agreement with WFM Financial Holdings Pty Ltd for A$96 million (S$84.5 million).

In the United Kingdom, a 220-room Holiday Inn Express in Trafford City, Mercury Way, Manchester is located in the city's high-growth region. The Metrolink line connecting Trafford City to Manchester City Centre offers good accessibility to the hotel, which is contributing a fair share to the Group's revenues as the UK economy continues to strengthen.

Aloft Perth, Australia


Front desk

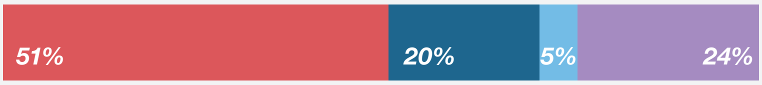

Guestroom

OPERATIONS REVIEW

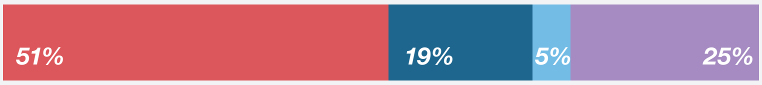
By Sector	2024 $'000	2023 $'000
Real Estate (including Hospitality)	201,619	174,193
Financials	81,013	63,452
Technology/Communications	19,691	18,020
Others*	95,995	86,238
Total	**398,318**	**341,903**

*Others includes investment in mutual funds, healthcare, energy etc.

2024 Sector Exposure for Investment Portfolio - Total S$398.3 million



2023 Sector Exposure for Investment Portfolio - Total S$341.9 million



"... In leveraging the unique strengths and resources of our partners with its larger scale, this investment allows the Group to gain access to strategic properties primarily located in Europe while reducing the risks associated with active management of foreign property."

By Currency	2024 $'000	2023 $'000
United States Dollar US$	116,062	108,704
Euro €	124,365	109,935
Singapore Dollar S$	80,061	75,636
Australian Dollar A$	56,035	28,086
Others	21,795	19,542
	398,318	**341,903**

2024 Currency Denomination for Investment Portfolio – Total S$398.3 million

2023 Currency Denomination for Investment Portfolio – Total S$341.9 million

LEISURE

There are currently eight SuperBowl centres situated islandwide. The outlets are at Khatib HomeTeamNS Clubhouse, HomeTeamNS-JOM, SAFRA Tampines, Keat Hong Community Club, SuperBowl Mount Faber, SuperBowl Toa Payoh, SuperBowl Jurong and Siglap Community Club, and continued to contribute to the Group's leisure income in the year. The lease with HomeTeamNS-JOM had expired in January 2025 and not renewed as the clubhouse will be closed from March 2025.

INVESTMENTS

The market value of the Group's trading investment portfolio stood at S$398.3 million at the end of 2024 as compared to S$341.9 million the year before. The Group recorded a mark-to-market gain of S$24.6 million in the year as compared to a mark-to-market gain of S$26.4 million in FY 2023. The Group maintains a diversified investment portfolio across different asset classes and geographies, with an objective of generating income and achieving capital appreciation over the long term. With increased macroeconomic challenges such as heightened geopolitical and inflation risks, and tightening monetary policies in advanced economies, the Group is closely reviewing and adjusting the portfolio in response to the market and economic environment.

Included in the Group's investment in A2I is the investment in AccorInvest Group, which owns or leases hotels mainly operated by the Accor Group. In leveraging the unique strengths and resources of our partners with its larger scale, this investment allows the Group to gain access to strategic properties primarily located in Europe while reducing the risks associated with active management of foreign property.

The Group's portfolio comprises both quoted (listed bonds and equities) and unquoted (unlisted bonds, mutual and private equity funds) investments and can be sold from time to time for liquidity management. This diversification allows us to manage our investment risks in a prudent way, while maintaining exposure to real estate (including hospitality) assets.

SUSTAINABILITY REPORT

BOARD STATEMENT

Dear Stakeholders,

The Board of Directors ("**Board**" or "**Directors**") of Hiap Hoe Limited ("**Company**" and together with its subsidiaries, "**Hiap Hoe**" or "**HHL**" or the "**Group**") is pleased to present Hiap Hoe's annual Sustainability Report ("**Report**") for the financial year ended on 31 December 2024 ("**FY 2024**"). This Report highlights our ongoing commitment to integrating our economic, environmental, social and governance ("**EESG**") efforts into our business strategy and operations, as well as the progress we have made.

Hiap Hoe stands as a regional premium real estate group. Known for the development of luxury and mid-tier residential as well as hotel-cum-commercial properties, the Group holds a diversified portfolio of hospitality, retail, commercial and residential assets. Hiap Hoe is also in the business of providing leisure and recreation facilities, operating in eight bowling centres situated islandwide. As we expand our business, our objective is to operate in a manner that enhance society, uphold human rights, minimise our environmental impact, and foster sustainable business practices.

Our approach to sustainability is rooted in our commitment to sustainable development. The Group acknowledges the complexities of addressing climate-related considerations and integrating sustainability into our operations. Key challenges encompass ensuring compliance with regulations and substituting existing products and services with lower emissions options.

Sustainability remains a cornerstone of our strategy, guiding how we address climate-related challenges, meet the needs of our communities and ensure resilience in a rapidly changing world. Our Sustainability Committee ("**SC**") plays a vital role in overseeing and updating the Board and Management about the Group's policies, strategies and initiatives regarding sustainability measures. The annual materiality assessment conducted by the SC reaffirmed the material topics and embedded their underlying implications into our strategic direction. As we continue our sustainability journey, there will be ongoing reviews and adjustments to our performance indicators and targets to ensure alignment with our business objectives. Furthermore, we are committed to enhancing engagement with stakeholders, aiming to improve our sustainability efforts and practices, and fostering the development of a resilient, long-term business.

The Board remains dedicated to overseeing the Group's sustainability journey, ensuring alignment with our strategic vision and values, and upholding our accountability to all stakeholders. We greatly appreciate the support provided by all our stakeholders along this journey. Looking ahead, we will continue to strengthen our EESG performance and drive meaningful change for our future generations.

Yours faithfully,

Teo Ho Beng
Executive Chairman

Teo Keng Joo, Marc
Chief Executive Officer

ABOUT THIS REPORT

Reporting Period and Scope

The data and information presented in this Report covers the reporting period from 1 January 2024 to 31 December 2024 ("**FY 2024**"), unless stated otherwise. The Report covers the following business segments of the Group during the Reporting Period:

Business Segment	Properties
Hospitality	Aloft Singapore Novena
	Aloft Perth
Property Rental	Zhongshan Mall
	Hiap Hoe Office Building
	130 Stirling Street (Perth)
	25 Rowe Avenue (Perth)
Leisure	Superbowl Bowling Centres
Corporate Office Operations	-

The aforementioned operations were selected as part of the reporting scope as assets have material contributions to the Group's revenue. In FY 2024, we have expanded our scope of reporting to include 2 commercial properties in Perth – 130 Stirling Street and 25 Rowe Avenue.

Reporting Framework

This Report has been reviewed by the Board and was prepared in line with the sustainability reporting requirements of Rules 711A and 711B of the Listing Manual – Mainboard Rules of Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The Report has been prepared with reference to the Global Reporting Initiative ("**GRI**") Standards 2021. The GRI Standards were selected as it is a globally recognised and widely adopted framework, which enables our stakeholders to compare our sustainability performance against our industry peers. The content of this Report is defined by the four reporting principles established by the GRI Standards as follows:

1. **Stakeholder' Inclusiveness:** The contents of this Report were determined following various stakeholders' engagement and internal discussions.
2. **Sustainability Context:** This Report covers the Group's performance in various EESG aspects.
3. **Materiality:** Material topics in this Report were determined through stakeholders' engagement and internal discussions. All relevant factors were then weighted according to their respective importance to stakeholders, as well as their impact on HHL's business.
4. **Completeness:** This Report overs the impact that HHL contributes to the material topics during the Reporting Period using the relevant data and information collected.

Further details on the respective GRI Standards disclosures can be found in the *GRI Content Index* provided at the end of this Report.

As part of our ongoing commitment to align our sustainability reporting with relevant market standards and to contribute to a more sustainable future, we have aligned our efforts with the 2030 Agenda for Sustainable Development which is adopted by all United Nations Member States in 2015 ("**UN Sustainable Development Agenda**"). At its heart are 17 Sustainable Development Goals ("**SDGs**") which form a shared agenda for environmental improvement, social empowerment and greater equality. HHL is committed to supporting the UN SDGs and have incorporated 10 SDGs most aligned to our business operations and material topics.

This Report was prepared in accordance with recommendations from the Task Force on Climate-related Financial Disclosures ("**TCFD**") Framework. Our TCFD Report included in this Report outlines our approach to assessing and managing climate-related risks and identifying opportunities within our operations.

Report Content and Quality

This Report seeks to provide a comprehensive overview of the Group's sustainability initiatives and strategies for responsible business growth by providing more quantitative goals and targets to support our corporate values, while addressing key concerns and challenges faced by HHL's stakeholders. To maintain consistency and content quality, we have applied GRI's eight principles of accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability.

Assurance

The Group's sustainability reporting policies, processes and internal controls have been subjected to internal review by the SC and the Company's internal auditors. The Group has not sought external assurance for the information presented in this Report.

Feedback

As part of our continuous efforts on substantiating our sustainability efforts along with improving our policies and performance, we value any question, comment, or feedback on any aspect of this Report. Please write to: hiaphoe@hiaphoe.com.

OUR SUSTAINABILITY COMMITTEE

Sustainability Strategy

The Board recognises the importance of a strong sustainability governance framework for accountability and transparency. The Sustainability Committee ("**SC**") is established to assist the Board of Directors in overseeing the Group's sustainability policies and strategies, which entails climate-related challenges.

Sustainability Governance Structure

Led by the Group's Chief Executive Officer ("**CEO**"), the SC is supported by department heads from various functional division within the Group. The SC receives regular updates on the progress of the Group's core sustainability initiatives, as well as review the Group's workplace and human rights practices. To ensure the effective integration of sustainability initiatives into our strategic planning and day-to-day business activities, we established the Sustainability Working Team ("**SWT**") as an integral component of our corporate governance structure.

The roles and responsibilities of the SC and SWT are specified as below:

Designation	Roles	Responsibilities
Chief Executive Officer	▪ Oversees the Group's strategic formulation and vision ▪ Approves the Group's sustainability strategies and action plans to address its climate-related risks and impacts	▪ Provides strategic guidance and formulate Group's sustainability strategy ▪ Identifies climate-related risks and opportunities ▪ Reviews climate-related metrics and targets ▪ Manages day-to-day operations pertaining to EESG performances of the Group ▪ Evaluates EESG risks and monitor climate-related performances in the Group's business practices
Chief Financial Officer	▪ Member of the SC to support sustainability practices ▪ Support to foster a culture of sustainability, especially across the Accounts Department	▪ Reviews the financial performances of climate-related risks and opportunities undertaken by the Group ▪ Coordinates reporting and disclosures ▪ Ensures legal compliances with relevant financial-related requirements ▪ Promotes recycling practices and cultivate sustainability habits across the Group
Sustainability Working Team	▪ Support to foster a culture of sustainability	▪ Works closely with the SC to assess and manage climate-related risks and opportunities

In accordance with Rule 720(7) of the SGX Rulebooks - Mainboard Rules, the Company has fully complied with the requirement for directors to undergo mandatory training. All members of our Board have completed sustainability training courses prescribed by the SGX-ST.

STAKEHOLDER ENGAGEMENT

We recognise the importance of maintaining continuous and transparent communication with our stakeholders. Hiap Hoe acknowledges the significance of active involvement in addressing any issues the stakeholders may raise. Their input plays a crucial role in helping us prioritise actions within our sustainability initiatives.

We identify our stakeholders based on their impact on our business activities or their ability to influence our goals. Both internal and external stakeholders are crucial to us, and we regularly engage with our stakeholders to actively seek their feedback and understand their concerns related to sustainability and our business. This ongoing engagement has served as a valuable source of input for our development activities, enabling us to closely align with their needs, interests, and expectations.

We have identified five primary stakeholders – employees, customers, suppliers, shareholders and regulators. The following table summarises our key stakeholder groups, their concerns and the platforms in which we engage with our stakeholders:

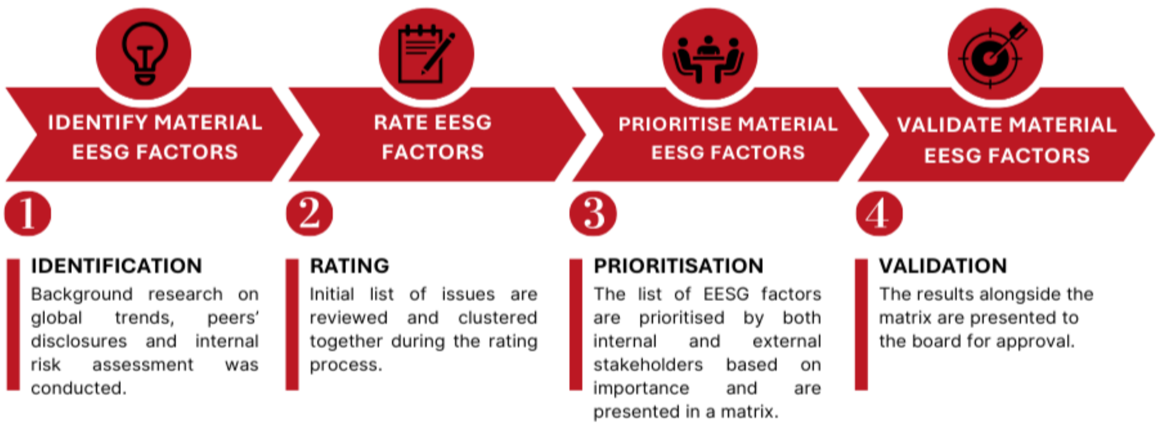
	Concerns	Engagement Platform
Employees	▪ Occupational health and safety ▪ Fair labour practices and compensation ▪ Professional development ▪ Staff bonding ▪ Intranet platform for policies, news and benefits	▪ Trainings and team building ▪ Grievance/feedback channels ▪ Regular reviews and appraisals ▪ Intranet platform ▪ Email and notice board ▪ Mobile application RD Connect
Customers	▪ Service quality and excellence ▪ Timely follow-up on customer feedback ▪ Food safety ▪ Information and data security	▪ Feedback channels (e.g. email, telephone, and social media) ▪ Corporate website, email and newsletters
Suppliers	▪ Clear two-way communication channels ▪ Timely feedback regarding materials/services provided	▪ Quotations and request for proposal ▪ Suppliers' meetings ▪ Safety briefing and declarations
Shareholders and Regulators	▪ Business resilience and financial performance ▪ Business strategy and direction ▪ Corporate governance and compliance ▪ Transparent and timely communications of information	▪ Results announcements and news releases ▪ Corporate website and email ▪ Annual general meetings ▪ Periodic reporting ▪ Annual reports

MATERIALITY ASSESSMENT

To stay informed about material and salient sustainability issues, the Group periodically evaluates and benchmarks its business operations. This annual assessment involves an examination of the dynamic business landscape, taking into account emerging global trends, stakeholders' opinions and latest regulatory developments.

At Hiap Hoe, we embrace an inclusive approach to consider and balance the needs and interests of stakeholders. We regularly evaluate the significance of EESG topics to our stakeholders through various feedback channels to identify the key EESG topics most relevant to our business and stakeholder interest ("**Material Topics**").

The Group adopts the following four-step process to define our Material Topics:



Subsequently, these Material Topics were ranked on a materiality matrix and their relative position is dependent on their respective impact to the Group's business and importance to stakeholders. In FY 2024, we have identified 10 Material Topics of varying degree of impact to the Group and importance to stakeholders as follows:

Highly Critical Material Topics	Critical Material Topics	Moderate Material Topics
Sustainable Economic Growth	Fair Employment Practices	Resource Efficiency and Waste Management
Energy and Carbon Footprint	Employee Training and Development	Business Ethics and Anti-Corruption
Water Conservation	Occupational Health and Safety	
	Customer Health and Safety	
	Customer Privacy	

Economic Environmental Social Governance

OUR ALIGNMENT WITH THE UN SDGS

We have identified 10 SDGs, aligned with our Material Topics, where we can contribute the most significant impact for our society and environment. The following table shows the Group's commitment and efforts to support the UN SDGs:

SDG	Material Topics	HHL's Efforts
Economic		
Goal 8: Decent Work and Economic Growth Promote sustained, inclusive and sustainable economic growth, fill and productive employment and decent work for all.	Sustainable Economic Growth	We integrate sustainability practices into our business strategies to achieve sustainable economic growth For more details, please refer to our FY 2024 Financial Statements.
Environmental		
Goal 6: Clean Water and Sanitation Ensure availability and sustainable management of water and sanitation for all.	Water Conservation	▪ We have implemented water-saving initiatives through our Environmentally Friendly Program across our hotel operations. ▪ Aloft hotels have implemented irrigation system for landscaping as part of the requirement by Global Sustainable Tourism Council.
Goal 7: Affordable and Clean Energy Ensure access to affordable, reliable, sustainable and modern energy for all. Goal 13: Climate Action Take urgent action to combat climate change and its impacts.	Energy and Carbon Footprint	▪ We have implemented energy efficient technologies, such as LED lights) to reduce energy consumption in our operations. ▪ At Aloft Perth, we have adopted Marriott International Serve360, pledging to create positive and sustainable impacts across its operations.
Goal 12: Responsible Consumption and Production Ensure sustainable consumption and production patterns.	Resource Efficiency and Waste Management	We have implemented various measures, including the replacement of single-use plastic toiletries with larger, refillable amenities in our hotel operations.
Social		
Goal 3: Good Health and Well-being Ensure Healthy lives and promote well-being for all at all ages.	Occupational Health and Safety	We implement and monitor our employees' health and safety at the workplace to ensure a safe environment for all employees.
	Customer Health and Safety	We are conscious of our customers' health and safety and have in place procedures and guidelines that are clearly communicated to both guests and tenants,
Goal 4: Quality Education Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.	Employee Training and Development	We equip our employees with various training programmes to ensure that they remain skilled and up-to-date with current regulations and trends.

SDG		Material Topics	HHL's Efforts
5 GENDER EQUALITY	Goal 5: Gender Equality Achieve gender equality and empower all women and girls.	Fair Employment Practices	We adopt fair employment and merit-based practices, aligned with local regulatory requirements.
10 REDUCED INEQUALITIES	Goal 10: Reduced Inequalities Reduce inequality within and among countries.		
Governance			
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Goal 16: Peace, Justice and Strong Institutions Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.	Business Ethics and Anti-corruption	▪ We have in place a strong governance framework and policies that uphold integrity, accountability, and transparency. ▪ We adopt corporate governance practices consistent with the Code of Corporate Governance 2018. ▪ Please refer to the Corporate Governance Report of Hiap Hoe's Annual Report 2024 for more details.
		Customer Privacy	We have in place a strong governance and control framework and privacy policies to manage data privacy risks effectively.

PERFORMANCE HIGHLIGHTS AND TARGETS

To track our sustainability performance and drive continuous improvement, we have established a set of targets for each Material Topic. Our progress towards achieving these targets is outlined below:

Material Topics	Targets	Our Performance
Economic		
Sustainable Economic Growth	Ongoing target Maintain or improve our economic value generated subject to market conditions.	In FY 2024, the Group achieved its target, as it recorded S$125.4 million in economic revenue generated.
Environment		
Energy and Carbon Footprint	Short-term target (1 – 2 years) To achieve 1% reduction of GHG emissions intensity from prior year. Medium-term target (by 2030) To achieve 3% reduction of GHG emissions intensity by 2030 from FY 2024 baseline. Long- term target (by 2050) To achieve 5% reduction of GHG emissions intensity by 2050 from FY 2024 baseline.	In FY 2024, the Group's total GHG emissions intensity remained constant at 0.08 tCO_2e/ Revenue S$'000. The Group seek to reduce our GHG emissions intensity in the subsequent years through adoption of energy saving measures and technologies.
Water Conservation	Short-term target (1 – 2 years) To achieve 1% reduction of water consumption intensity from prior year. Medium-term target (by 2030) To achieve 3% reduction of water consumption intensity by 2030 from FY 2024 baseline. Long- term target (by 2050) To achieve 5% reduction of water consumption intensity by 2050 from FY 2024 baseline.	In FY 2024, the Group's water consumption increased by 12% as compared to FY 2023 mainly due to higher occupancy for Aloft Singapore Novena. However, the Group have maintained the water emissions intensity at 0.90 m^3/Revenue S$'000 through improvements in operational efficiencies.
Resource Efficiency and Waste Management	Short-term target (1 – 2 years) To achieve 2% increase in non-hazardous waste diverted to recycling. Medium-term target (by 2030) To achieve 4% increase in non-hazardous waste diverted to recycling from FY 2024 baseline. Long- term target (by 2050) To achieve 6% increase in non-hazardous waste diverted to recycling from FY 2024 baseline.	In FY 2024, the Group recorded a higher waste generation intensity of 0.0074 metric tons/Revenue S$'000, an increase of 19% from FY 2023. Despite the increased in waste generation intensity, the Group saw an increase of 161% in non-hazardous waste diversion to recycling.

Material Topics	Targets	Our Performance
Social		
Occupational Health and Safety	<u>Perpetual target</u> ▪ Maintain zero incidents of non-compliances with regulatory standards related to the health and safety of employees. ▪ Maintain zero incidents related to work-related injuries and fatalities.	In FY 2024 the Group met its targets as it recorded, ▪ Zero incidents of non-compliances with regulatory standards related to the health and safety of employees. ▪ Zero incidents related to work-related injuries and fatalities. ▪
Customer Health and Safety	<u>Perpetual target</u> ▪ Maintain zero incident of non-compliance with regulatory standards related to the health and safety of customers.	In FY 2024 the Group met its target recorded, ▪ Zero incidents of non-compliances with regulatory standards related to the health and safety of customers. ▪
Employee Training and Development	<u>Short-term target (1 – 2 years)</u> Increase the average training hours by 2% from prior year. <u>Medium-term target (by 2030)</u> Increase the average training hours by 3% by 2030 from FY 2024 baseline. <u>Long- term target (by 2050)</u> Increase the average training hours by 4% by 2050 from FY 2024 baseline. <u>Perpetual target</u> Offer internal and external trainings that are essential and beneficial to the development and career progression of our employees at all levels.	In FY 2024, the Group recorded an average of 24.7 training hours per employee, a 68% decrease from the previous year. In FY 2023, Aloft Singapore Novena had recorded higher training hours as attributed to the rebranding to Marriott International. A fairer comparison would then be to compare FY 2022 and FY 2024, during which we saw an increase in training hours of 19%.
Fair Employment Practices	<u>Perpetual target</u> ▪ Zero reported incidents of discrimination ▪ Promote diverse and balanced genders and age groups in the workforce. ▪ Maintain on par with the industrial average monthly turnover rate. ▪ Build a strong organizational culture and values that resonate with employees and promote long-term commitment.	In FY 2024, the Group met its target as there were zero reported incidents of discrimination
Governance		
Business Ethics and Anti-corruption	<u>Perpetual target</u> To achieve zero confirmed incidents of bribery or corruption.	In FY 2024, there were zero confirmed incidents of bribery or corruption.
Customer Privacy	<u>Perpetual target</u> To achieve zero complaints concerning breaches of customer privacy.	In FY 2024, there were zero complaints concerning breaches of customer privacy.

TCFD REPORT

We have progressively implemented measures to reduce carbon footprint resulted from our business practices, to ensure resilience against a range of physical and transition risks.

Governance Structure

At Hiap Hoe, the Board is responsible for overseeing the Group's sustainability performance and overall sustainability strategy. When reviewing the Group's long-term strategic plans, the Board accounts for sustainability considerations, including the management of climate-related risks and opportunities. The SC supports the Board by leading the Group's sustainability agenda. The SC is responsible for overseeing and making recommendations to the Board on sustainability matters, which includes the review of the Group's sustainability policies, practices, performance, targets and progress on climate-related measures and initiatives. Refer to '*Our Sustainability Committee*' section above for further details.

Group Strategy

In FY 2024, Hiap Hoe performed a review of the qualitative climate risk assessment exercise conducted on assets in Singapore and Australia. This process involved the identification and evaluation of potential risks and opportunities associated with climate change that could impact our business and operations. Senior management participated in recognising Hiap Hoe's exposure to climate impacts and assessing the significance of related risks and opportunities.

Hiap Hoe has also performed a scenario analysis on climate-related risks and opportunities. The climate scenario analysis serves as a tool to understand how the identified climate-related risks and opportunities could impact future operations of the Group. Hiap Hoe's preliminary evaluation considers the following two scenarios based on the Intergovernmental Panel on Climate Change ("**IPCC**"): (1) a best-case scenario where the global average temperature increases by less than 2°C; and (2) a business as usual with no mitigation scenario where temperatures increase more than 4°C by the end of the century.

Key characteristics of the selected scenarios are outlined below:

Scenario	Paris-aligned scenario (below 2°c)	No mitigation scenario (4°c)
Description	The world manages to reduce CO_2e emissions through several measures, such as legislation, global carbon taxes, and major shifts in consumption patterns and lifestyles.	The world fails to curb rising CO_2e emissions by Year 2100. Impacts from extreme weather events are assumed to grow in magnitude.
Rationale	To evaluate the transition impacts within an economy transitioning to a low carbon world. It reflects actions required to limit global warming to under 2°C.	To evaluate the physical risks under a high-emission scenario, consistent with a future where policy changes to reduce emissions are limited.
Underlying model	▪ This model considers factors such as greenhouse gas emissions, energy transition scenarios, technological advancements, and policy developments. ▪ It serves as a foundation for the Group to analyse how different climate scenarios may impact its business	▪ IPCC Representative Concentration Pathway 8.5, mostly long term. ▪ This model considers factors such as increased frequency of extreme weather events, rising sea levels, impacts on ecosystems, and disruptions to global supply chains. ▪ Climate models and scientific assessments play a key role in shaping the narrative of such scenarios.

Scenario	Paris-aligned scenario (below 2°c)	No mitigation scenario (4°c)
	operations, and financial performance over the short-, medium-, and long-term time horizon.	
Assumption	▪ Global adoption of renewable energy, advancements in technology, regulatory frameworks, and changes in consumer behaviour. ▪ Assumptions related to the physical impacts of climate change, such as sea-level rise and extreme weather events, are considered. ▪ Collective global effort to mitigate climate change and transition towards a low-carbon economy.	▪ The continuation of high greenhouse gas emissions limited global efforts to reduce carbon emissions, and a lack of significant policy measures to address climate change. ▪ Limited technological advancements in clean energy and low levels of international cooperation to achieve climate goals.

Climate-related Risks and Opportunities

The use of scenario analysis allows the Group to proactively address factors that could impact its operations in the context of climate considerations. This process enhanced the Group's understanding of climate-related risks and opportunities ("**CRROs**"), providing insights into the potential effects of various scenarios on our business.

In FY 2024, the Group conducted a reassessment to identify key CRROs that could impact our operations. These CRROs are evaluated and finalised by the SC. Based on the scenario analysis models outlined above, the Group has identified six climate-related risks and one opportunity.

The associated risk mitigation measures aimed at addressing these risks and leveraging the opportunities are summarised as follows:

CRROs		Description
Transition Risk		
Increased carbon pricing of GHG emissions	Risk Description	Higher carbon prices on electricity generation due to the growing number of carbon pricing policies will impact companies that fail to decarbonise their generating assets. The rise of retail electricity prices may directly impact real estate management in the form of larger utility bills.
	Impact of Risk	A higher carbon price will lead to increased fuel, energy, and waste disposal costs, thereby impacting overall operating costs, capital expenditure, and profitability.
	Existing or Planned Mitigation Actions	▪ Installation of certified high efficiency rating appliances such as automatic controls for the lightings and air-conditioning system by detecting the occupancy rate of the guest room to minimise energy consumption. ▪ Engage with tenants to encourage reduction in energy and water consumption, carbon emissions and promote an efficient waste management.
Mandates on and regulation of existing products and services	Risk Description	Increasing trend towards enforcing higher building standards for environmental management and energy efficiency. Companies that are not prepared for likely policy changes over the next decade could face penalties, fine or suffer damage to their reputations.

CRROs		Description
	Impact of Risk	▪ Reduced demand for buildings not green-certified, hence affecting revenue from leased assets. ▪ Failure to comply with new building regulations leads to fines, penalties, litigation issues, and affecting company's reputation.
	Existing or Planned Mitigation Actions	Installation of certified high efficiency rating appliances such as automatic controls for the lightings and air-conditioning system by detecting the occupancy rate of the guest room.
Transition to lower emissions technology	Risk Description	Changes in the energy mix and the shift towards low-carbon technologies that result from the transition to a low-carbon economy. This transition is expected to accelerate to as countries move to implement their commitments under the Paris Agreement.
	Impact of Risk	▪ There will be a capital expenditure involved in acquiring lower emission technology to retrofit existing buildings. ▪ Poor retrofitting of new energy-efficient technologies can also result in low usability.
	Existing or Planned Mitigation Actions	Screen through suppliers to engage responsible suppliers and consultants for built environment work such as retrofitting existing buildings.
Physical Risks		
Change in average temperature	Risk Description	Global temperature increase will bring about increased demand in cooling loads, particularly in urban agglomerations where heat island effects may prevail over the summer months. Lack of attention to extreme heat events may bring about overheating in buildings.
	Impact of Risk	▪ High temperatures can be ameliorated by suitable adjustment to the air conditioning systems. This may lead to an increase in energy consumption and cost to cool buildings especially in highly urbanised areas, leading to greater Scope 1 and 2 emissions. ▪ Higher temperatures could also lead to bodily stress and result in increase in heat exhaustion or heat stroke, thus reducing employee's productivity.
	Existing or Planned Mitigation Actions	▪ Achieve green certified buildings across our key business portfolio. ▪ Installation of certified high efficiency rating appliances such as automatic controls for the lightings and air-conditioning system by detecting the occupancy rate of the guest room.
Change in precipitation	Risk Description	Climate change projections suggest an increase in the frequency of intense precipitation events which could cause an increased intensity and frequency of flood events.
	Impact of Risk	▪ Possible flooding in developed areas with lack of effective stormwater drainage system. ▪ Increase in the frequency of intense precipitation events could cause an increased intensity and frequency of

CRROs		Description
		flood events. Flooding events can cause damage to infrastructure and are expensive to repair.
	Existing or Planned Mitigation Actions	Add structural measures such as humps and flood barriers to protect the basement levels from flooding.
Sea Level Rise	Risk Description	Sea level rise as an increase in the average sea level caused by the expansion of seawater due to warming and the melting of land- based ice, such as glaciers and ice sheets.
	Impact of Risk	▪ Sea level rise would increase the risk of key infrastructure and property getting submerged. ▪ Properties prone to water damage would also be expensive to repair.
	Existing or Planned Mitigation Actions	▪ Add structural measures such as humps and flood barriers to protect the basement levels from flooding. ▪ Raise the height of buildings and operational rooms located at low- lying flood-prone sites where possible. ▪ Implement adequate cooling technology to facilitate equipment functioning.
Opportunity		
Use of new technologies	Risk Description	The potential to improve financial performance by adopting low-carbon and climate-resilient technologies and business practices.
	Impact of Risk	The use of new technologies can provide competitive advantages, such as increased energy efficiency, reduced emissions, and improved resilience to the physical impacts of climate change.
	Existing or Planned Mitigation Actions	Aloft Singapore Novena is currently striving to attain certification from the Global Sustainable Tourism Council ("GSTC"). Whereas, Aloft Perth adheres to the Marriott APEC Sustainability scorecard[1].

Risk Management

We recognise that having a robust risk management system is essential for protecting the Group's interests and building trust with our stakeholders.

To stay updated on regulatory changes and uphold strong corporate governance, the Board regularly reviews environmental trends and evaluates potential climate-related risks and opportunities to maintain strategic risk management oversight. The Board also determines salient sustainability factors, including climate-related metrics and targets.

Metrics and Targets

In addition to our existing metrics and targets, we continually adopt best practices to enhance our disclosures, including those related to the TCFD Framework. We track, measure and disclose our environmental performance including energy consumption, GHG emissions and water consumption in this Report. Refer to the section '*Environmental*' for details of metrics and targets of the Group's climate-related disclosures.

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[1] Certification will begin toward the end of this year, subject to completion of designated tasks outlined in the scorecard.

ECONOMIC

Sustainable Economic Growth

Impact on Hiap Hoe

At Hiap Hoe, we understand the inherent link between sustainability practices and economic performance. Poor economic performance impacts the interests of our employees, business partners, shareholders, and stakeholders.

Management Approach

At Hiap Hoe, we emphasise the significance of integrating sustainability practices into our business strategies as a fundamental element for the Group to attain sustainable economic growth in the face of evolving and challenging conditions.

Our Performance

In FY 2024, the Group generated S$125.4 million (FY 2023: S$111.9 million) of economic value, an increase of 12% from FY 2023. The increase in economic value generated can be mainly attributed to factors like higher hotel occupancy rates and increased rental revenues. Overall, after income tax, the Group has achieved a profit of S$6.6 million.

For more details on our financial performance and results, please refer to our FY 2024 Financial Statements.

We remain vigilant in addressing rising costs influenced by inflationary pressures, and strive to enhance the quality of our assets, ensuring safety for both our employees and customers. With the overarching objective of increasing profitability, we will focus on enhancing our operational efficiencies.

ENVIRONMENTAL

Energy and Carbon Footprint

Impact on Hiap Hoe

We recognise that energy consumption and the resulting GHG emissions produced contribute to climate change. High energy consumption and dependence on fossil fuels can worsen energy poverty and drive up costs. On the other hand, minimising energy consumption and incorporating energy efficient appliances into our operations can help reduce costs for the Group while supporting sustainability efforts.

At Hiap Hoe, we are committed to reducing our carbon footprint by implementing initiatives focused on reducing energy consumption. Given the nature of our operations, energy use and therefore GHG emissions generated are significant. The Group remains steadfast in its efforts to enhance environmental and sustainability performance by identifying and implementing effective measures to lower energy usage.

Management Approach

We consistently monitor and track our electricity consumption by incorporating energy-saving and energy-efficient practices, including the activation of power-saving modes on electrical appliances when not in use, and the substitution of fluorescent lights with energy-efficient LED alternatives.

At Aloft Perth, we have adopted Marriott International Serve360. This commitment aligns with the 2025 Sustainability and Social Impact Goals, as well as the UN Sustainable Development Goals. Serve360 reflects Marriott's pledge to create positive and sustainable impacts across its operations, including Aloft Perth. Additionally, Aloft Perth leverages tools and technology provided by Marriott, such as the Marriott Environmental Sustainability Hub ("**MESH**"), to effectively manage environmental performance.

Energy Reduction Measures:

- Continuous monitoring of weather conditions and adjustment of air-conditioning temperatures to appropriate levels. Air-conditioners are also automatically switch off in rooms once door access cards are removed;
- Ensure air-conditioning systems are regularly maintained and serviced to optimise efficiency and reduce energy consumption;
- Ensuring air-conditioners in corridors are switched down to “fan mode” during low-occupancy periods to conserve electricity; and
- On-going projects to replace existing florescent lights with energy efficient LED lights.

Our Performance

Scope 1 GHG emissions – Fuel Consumption

The Group's fuel usage encompasses natural gas utilised in our hospitality operations for heating and cooking, as well as diesel and petrol consumption by the Group's vehicles. Additionally, it includes diesel consumption for the e-source utilised for our office buildings. Fuel consumption data of the Group is as follows:

Fuel Consumption	FY 2022	FY 2023	FY 2024
Natural gas (Aloft Perth) (MJ)	4,668,578	4,736,725	3,043,623
Natural gas (Aloft Singapore Novena) (Litres)	93,002,331	80,442,000	120,573,000
Petrol (Litres)	14,339	18,561	17,013.6
Diesel (Mobile Vehicles) (Litres)	4,271	4,631	4,737
Diesel (E- Source) (Litres)	18	20	30

Aloft Singapore Novena recorded a higher natural gas usage due to the increase in hotel occupancy while the fuel usage controls in Aloft Perth have led to a decrease in natural gas usage.

Scope 1 GHG emissions	FY 2022	FY 2023	FY 2024
Total Scope 1 GHG emissions (tCO_2e)[2]	**508**	**496**	**403**
Natural gas (Aloft Perth)	262	266	171
Natural gas (Aloft Singapore Novena)	202	175	179
Diesel usage (Stationary)	0.05	0.05	0.08
Diesel/ Petrol usage (Mobile)	44	55	53
Scope 1 GHG emissions intensity (tCO_2e/ Revenue S$'000[3])	**0.0043**	**0.0044**	**0.0032**

The Scope 1 emissions generated by our hospitality sector originate from stationary combustion of natural gas and the fuel consumption of company-owned vehicles. In FY 2024, our total Scope 1 GHG emissions were 403 tCO_2e (FY 2023: 496 tCO_2e), representing an 19% decrease from FY 2023. Our intensity of Scope 1 GHG emissions decreased by 27% to 0.0032 tCO_2e/ Revenue S$'000 (FY 2023: 0.0044 tCO_2e/ Revenue S$'000).

Scope 2 GHG emission – Electricity Consumption

The 3-year comparison of electricity consumption at Hiap Hoe are as follows:

Electricity Consumption[4]		FY 2022	FY 2023	FY 2024
Total electricity consumption (MWh)		**12,244**	**11,574**	**14,143**
Electricity consumption by properties (MWh)	Corporate Office	69.2	68.3	73.8
	Aloft Singapore Novena	7,005	6,150	7,115
	Aloft Perth	2,309	2,451	2,427
	SuperBowl	2,861	2,905	2,968
	130 Stirling Street (Perth)	-[5]	-[5]	784.6
	25 Rowe Avenue (Perth)	-[5]	-[5]	774.6

[2] GHG emissions from the combustion of fuel controlled by Hiap Hoe (Scope 1 emissions) are calculated based on the IPCC Guidelines for National Greenhouse Gas Inventories.

[3] The revenue of the Group is approximately S$125,357,000 in FY 2024, S$111,887,000 in FY 2023 and S$119,399,000 in FY 2022. These numbers are also used for calculating other intensities of environmental data present in this Report.

[4] Total electricity consumption and electricity consumption intensity for FY 2022 and FY 2023 were restated due to the reclassification of electricity consumed at Zhongshan Mall and Corporate Office from Scope 2 GHG emissions to Scope 3 GHG emissions.

[5] Electricity consumption data for 130 Stirling Street (Perth) and 25 Rowe Avenue (Perth) were newly included in the Report in FY 2024. Therefore FY 2022 and FY 2023 data are unavailable.

Electricity Consumption[4]	FY 2022	FY 2023	FY 2024
Electricity consumption intensity (Total electricity consumption/ Revenue S$'000[6])	**0.10**	**0.10**	**0.11**

In FY 2024, we reclassified electricity consumption at our leased properties from Scope 2 to Scope 3 emissions, under Category 13: Downstream leased assets. These changes were made to enhance accuracy, relevance and to reflect the updated boundaries of our disclosures. The adjustments do not impact the overall integrity of the reported figures but instead ensure that our reporting aligns with the GHG Protocol. Refer to the next section "*Scope 3 GHG emissions – Downstream Leased Assets*" for further details.

Scope 2 GHG emissions		FY 2022	FY 2023	FY 2024
Total Scope 2 GHG emissions (tCO_2e)[7]		**5,714**	**5,399[8]**	**6,218**
Scope 2 GHG emissions by properties (tCO_2e)	Corporate Office	28.3	28.5	30.4
	Aloft Singapore Novena	2,992	2,565	2,931
	Aloft Perth	1,501	1,593	1,238
	SuperBowl	1,193	1,212	1,223
	130 Stirling Street (Perth)	-[9]	-[9]	400.1
	25 Rowe Avenue (Perth)	-[9]	-[9]	395.0
Scope 2 GHG emissions intensity (tCO_2e/ Revenue S$'000[6])		**0.05**	**0.05**	**0.05**

During the Reporting Period, our total Scope 2 GHG emissions was 6,218 tCO_2e (FY 2023: 5,797[8] tCO_2e) which includes the emissions data for the 2 commercial properties in Perth. Overall, our total energy consumption increased compared to FY 2023 mainly due to higher occupancy for Aloft Singapore Novena. However, we have maintained the energy emissions intensity at 0.05 tCO_2e/Revenue S$'000 through improvements in operational efficiencies.

Scope 3 GHG emissions – Downstream Leased Assets

In line with our expanded reporting scope, emissions associated with electricity consumption by tenants previously categorised under Scope 2 GHG emissions, are now specifically accounted for in Scope 3 GHG emissions under Category 13: Downstream leased assets.

During the Reporting Period, electricity consumption by our tenants are as follows:

Electricity Consumption by Tenants		FY 2022	FY 2023	FY 2024
Total electricity consumption by tenants (MWh)		**7,438**	**7,118**	**8,591**
Electricity consumption by tenants by properties (MWh)	Corporate Office	976	957	975
	Zhongshan Mall	6,462	6,161	6,183
	130 Stirling Street (Perth)	-[9]	-[9]	308
	25 Rowe Avenue (Perth)	-[9]	-[9]	1,125

[6] The revenue of the Group is approximately S$125,357,000 in FY 2024, S$111,887,000 in FY 2023 and S$119,399,000 in FY 2022. These numbers are also used for calculating other intensities of environmental data present in this Report.

[7] GHG emissions from electricity purchased by Hiap Hoe (Scope 2 emissions) are calculated based on the average emissions factor published by the Energy Market Authority (Singapore) and the Department of Climate Change, Energy, the Environment and Water (Australia).

[8] Scope 2 emissions in FY 2023 and FY 2022 have been restated from 8,363 tCO_2e to 5,399 tCO_2e, and 8,816 tCO_2e to 5,714 tCO_2e respectively due to the reclassification of electricity consumed at Zhongshan Mall from Scope 2 to Scope 3 emissions, under Category 13: Downstream leased assets.

[9] Tenant electricity consumption data for 130 Stirling Street (Perth) and 25 Rowe Avenue (Perth) were newly included in the Report in FY 2024. Therefore FY 2022 and FY 2023 data are unavailable.

During the Reporting period, the resulting Scope 3 GHG emissions from downstream leased assets are as follows:

Scope 3 GHG emissions		FY 2022	FY 2023	FY 2024
Total Scope 3 GHG emissions (tCO_2e)		**3,064**	**2,932**	**3,680**
Scope 3 GHG emissions by properties (tCO_2e)	Corporate Office	402	394	402
	Zhongshan Mall	2,662	2,538	2,547
	130 Stirling Street (Perth)	-[10]	-[10]	157
	25 Rowe Avenue (Perth)	-[10]	-[10]	574
Scope 3 GHG emissions intensity (tCO_2e/ Revenue S$'000[11])		**0.03**	**0.03**	**0.03**

We will continue to enhance our disclosures on Scope 3 GHG emissions in future sustainability reports.

Total GHG emissions

During the Reporting Period, our total GHG emissions are as follows are as follows:

GHG emissions	FY 2022	FY 2023	FY 2024
Total GHG emissions (tCO_2e)	**9,286**	**8,827**	**10,301**
Scope 1 GHG emissions (tCO_2e)	508	496	403
Scope 2 GHG emissions (tCO_2e)	5,714	5,399	6,218
Scope 3 GHG emissions (tCO_2e)	3,064	2,932	3,680
Total GHG emissions intensity (tCO_2e/ Revenue S$'000[11])	**0.08**	**0.08**	**0.08**

The total GHG emissions intensity remained constant at 0.08 tCO_2e/ Revenue S$'000. We seek to reduce our GHG emissions intensity in the subsequent years through adoption of energy saving measures and technologies.

[10] Tenant electricity consumption data for 130 Stirling Street (Perth) and 25 Rowe Avenue (Perth) were newly included in the Report in FY 2024. Therefore FY 2022 and FY 2023 data are unavailable.
[11] The revenue of the Group is approximately S$125,357,000 in FY 2024, S$111,887,000 in FY 2023 and S$119,399,000 in FY 2022. These numbers are also used for calculating other intensities of environmental data present in this Report.

Water Conservation

Impact on Hiap Hoe

Excessive use of water may increase utilities costs and deplete resources. On the other hand, reduction in water usage can lead to reduced operational costs and improved operational resilience against water shortages.

Singapore is acknowledged as one of the most water-stressed countries globally. At Hiap Hoe, water withdrawal for our assets in Singapore is sourced from the national water provider, Public Utilities Board ("**PUB**"). The water supplied by PUB is classified as freshwater, adhering to Singapore's drinking water quality standards regulated by the Environmental Public Health ("**EPH**") (Water Suitable for Drinking) (No.2) Regulations 2019, which align with the World Health Organization ("**WHO**") Guidelines for Drinking-water Quality (≤1,000 mg/L Total Dissolved Solids). Effluent discharge from facilities such as kitchens, hotels, and public bathrooms complies with standards established by regulatory authorities.

In Singapore, about 25% of our water demand is supplied by water in catchment areas and imported water, 35% by desalinated water, and the remaining 40% by NEWater. According to PUB's "Our Water, Our Future" report, all potable water and NEWater are classified as freshwater with Total Dissolved Solids levels of less than 1,000mg/L.

In Australia, particularly Western Australia, water resources are facing escalating demand due to population growth and climate change. According to the Water Corporation, Western Australia's water supplier, water is sourced from four main outlets: desalination, groundwater, dams, and groundwater replenishment. Water is distributed through licensed and regulated public drinking water supply systems. For Aloft Perth, water withdrawal is from a single third-party water source provided by the Water Corporation. Effluent discharge from on-site facilities follows regulatory guidelines.

In Western Australia, about 35% of our water requirements are fulfilled through desalination, 20% through groundwater, 26% through dams, and the remaining 3% through groundwater replenishment.

Management Approach

We have implemented a series of water-saving initiatives through our Environmentally Friendly Program across our hotel operations. To manage and minimise water consumption, we offer hotel guests the choice of not having their sheets changed daily by our room attendants. Guests are encouraged to communicate their preferences through card instructions if they do not wish to have bed linens or towels replaced. Since the introduction of this program, we have received positive feedback and strong support from our hotel guests who actively participate in water-saving initiatives during their stay.

In FY 2024, the following initiatives were taken to manage water consumption:

Properties	Initiatives
Corporate Office Zhongshan Mall	▪ Reduction of water pressure using a water pressure regulator; and ▪ Adoption of various water saving initiatives to maximise water efficiency
Aloft Singapore Novena	▪ Water plants in the Sky Lounge using an automatic irrigation water system; ▪ Use a water pressure regulator to reduce water pressure and therefore reducing water consumption; ▪ Usage of sensors for taps in public areas; and ▪ Dual flushing system
Aloft Perth	▪ Use of pressure restricting valves; ▪ Use of low flow rate taps and showers; and ▪ Linen change program for long staying guests

Water consumption trends are regularly tracked, analysed and corrective actions are taken when unusual consumption patterns are observed.

Our Performance

Our water consumption across our business and properties are as follows:

Scope 2 GHG emissions		FY 2022	FY 2023	FY 2024
Total water consumption ('000 m^3)		**120.3**	**100.7**	**112.6**
Water consumption by properties ('000 m^3)	Aloft Singapore Novena	59.8	43.5	52.2
	Aloft Perth	25.1	26.0	25.4
	Corporate Office	3.3	2.9	3.3
	Zhongshan Mall	24.7	21.1	23.1
	SuperBowl	7.4	7.2	8.6
Water consumption intensities (m^3/ Revenue S$'000[12])		**1.01**	**0.90**	**0.90**

The total water consumption increased by 12% as compared to FY 2023 mainly due to higher occupancy for Aloft Singapore Novena. However, we have maintained the water emissions intensity at 0.90 m^3/Revenue S$'000 through improvements in operational efficiencies.

[12] The revenue of the Group is approximately S$125,357,000 in FY 2024, S$111,887,000 in FY 2023 and S$119,399,000 in FY 2022. These numbers are also used for calculating other intensities of environmental data present in this Report.

Resource Efficiency and Waste Management

Impact on Hiap Hoe

The Group’s effort towards resource efficiency and waste management enhances our compliance with environmental regulations while reducing potential fines. Conversely, if not carefully managed, it can lead to higher operational complexity and impact short-term profitability.

Management Approach

Hiap Hoe is dedicated to resource efficiency and actively works towards minimising waste in our daily business operations. Our hotel operations play a significant role in waste generation, primarily from municipal waste such as food, single-use utensils, and amenities. To address this, we have implemented various measures, including the replacement of single-use plastic toiletries with larger, refillable amenities. Additionally, we use eco-friendly packaging for items like vanity kits, dental kits, sewing kits, shower caps, combs, and sanitary bags. Upon guests' arrival, they are informed that these items are available upon request to reduce unnecessary consumption.

We continually explore opportunities to reduce waste and introduce waste management initiatives. In FY 2024, for Aloft Singapore Novena, Corporate Office and Zhongshan Mall, the total weight of non-hazardous waste diverted from disposal was 93.12 metric tons (FY 2023: 35.73 metric tons). The rise in recovery aligns with our commitment to implementing waste management programs, with a focus on reducing food waste and the use of single-use amenities.

The initiatives undertaken in FY 2024 aimed at decreasing waste generation include the following:

- Encourage the use of reusable cups and bags to reduce single use items;
- Using recycled water from the fish tank to water wall plants;
- Encourage the recycling of metal cans;
- Utilising rechargeable batteries;
- Excess fruits for guests are placed in at R3 for employee consumption; and
- Utilised food waste to make organic compost. Compost is then used as fertiliser.

Throughout all our properties, we maintain ongoing communication with our cleaners to separate waste into recyclable and non-recyclable categories for daily collection by third-party waste vendors. Looking ahead, we are committed to integrating waste management initiatives across all our business operations to minimise waste generation wherever feasible.

Our Performance

The breakdown of weight of non-hazardous waste diverted from disposal are as follows:

Property		FY 2022	FY 2023	FY 2024
Corporate Office and Zhongshan Mall	Amount (metric tons)	11.01	13.82	19.4
	Recovery method	Recycling & Onsite	Recycling & Onsite	Recycling & Onsite
Aloft Singapore Novena	Amount (metric tons)	15.84	21.91	26.8
	Recovery method	Other recovery operations & Offsite	Other recovery operations & Offsite	Other recovery operations & Offsite
Aloft Perth	Amount (metric tons)	NIL	NIL	33.5
	Recovery method	NIL	NIL	Other recovery operations & Offsite
130 Stirling Street (Perth)	Amount (metric tons)	-[13]	-[13]	8.38
	Recovery method	-[13]	-[13]	Recycling & Onsite
25 Rowe Avenue (Perth)	Amount (metric tons)	-[13]	-[13]	5.04
	Recovery method	-[13]	-[13]	Recycling & Onsite
Total waste generation (metric tons)		**26.85**	**35.73**	**93.12**

The breakdown of weight of non-hazardous waste diverted to disposal are as follows:

Property		FY 2022	FY 2023	FY 2024
Corporate Office and Zhongshan Mall	Amount (metric tons)	300	281	292
	Disposal method	Landfilling & Offsite	Landfilling & Offsite	Landfilling & Offsite
Aloft Singapore Novena	Amount (metric tons)	396	382	381
	Disposal method	Landfilling & Offsite	Landfilling & Offsite	Landfilling & Offsite
Aloft Perth	Amount (metric tons)	NIL	NIL	66
	Disposal method	NIL	NIL	Landfilling & Offsite
130 Stirling Street (Perth)	Amount (metric tons)	-[13]	-[13]	44
	Disposal method	-[13]	-[13]	Landfilling & Offsite
25 Rowe Avenue (Perth)	Amount (metric tons)	-[13]	-[13]	46
	Disposal method	-[13]	-[13]	Landfilling & Offsite
Total waste generation (metric tons)		**696**	**663**	**829**

[13] Waste data for 130 Stirling Street (Perth) and 25 Rowe Avenue (Perth) were newly included in the Report in FY 2024. Therefore, FY 2022 and FY 2023 data are unavailable.

The breakdown of waste generation intensity are as follows:

Waste generated intensity	FY 2022	FY 2023	FY 2024
Non-hazardous waste diverted	26.85	35.73	93.12
Non-hazardous waste not diverted	696.00	663.00	829.00
Total waste generated (metric tons)	722.85	698.73	922.12
Total waste generated intensity (metric tons/ Revenue S$'000[14])	**0.0061**	**0.0062**	**0.0074**

The Group recorded a higher waste generation intensity of 0.0074 metric tons/Revenue S$'000, an increase of 19% from FY 2023. Despite the increased in waste generation intensity, the Group saw an increase of 161% in non-hazardous waste diversion to recycling.

SOCIAL

Fair Employment Practices

Impact on Hiap Hoe

Hiap Hoe acknowledges the significance of fair employment practices in creating a positive and supportive work environment for our employees. By promoting equal opportunities and cultivating a safe and healthy workplace, Hiap Hoe ensures the well-being of its workforce while attracting and retaining top talent. The Group is dedicated to fostering a culture of fairness and inclusivity, valuing each employee and treating them with dignity and respect. Hiap Hoe is committed to attracting and retaining talent from a variety of backgrounds and promoting diversity within the workplace, contributing to a more dynamic and innovative business culture.

Management approach

Hiap Hoe recognises that our employees are the foundational operational support for the continual success of our business operations. We have in place employee retention strategies to provide assurance of our employees' job security at Hiap Hoe to ensure the continuity of our business and employment of our employees.

Our approach to fair employment involves regular review and implementation of policies and practices in accordance with local laws and regulations. We prioritise employee health and safety, and continue to invest in talent management programs, providing employees with opportunities for professional growth and development. Hiap Hoe takes a firm stand against all forms of discrimination based on race, gender, or religion and holds the belief that all employees should have equal opportunities for advancement and professional development. The Business Code of Conduct serves as a guide to all employees on Hiap Hoe's practices regarding non-discrimination. The Code elaborates on topics such as working in a diverse environment, provision of equal employment opportunities, employee protection against harassment and bias.

[14] The revenue of the Group is approximately S$125,357,000 in FY 2024, S$111,887,000 in FY 2023 and S$119,399,000 in FY 2022. These numbers are also used for calculating other intensities of environmental data present in this Report.

Our Performance

Employees

As of 31 December 2024, there were a total of 450 employees (as at 31 December 2023: 434), of which 340 were full-time and 110 were part-time employees[15].

The 3-year comparisons of our detailed employment profile[16] are as follows:

Performance Indicator	As at 31 December 2022		As at 31 December 2023		As at 31 December 2024	
Total number of employees	465		434		450	
By gender						
Male	258	55%	232	53%	245	54%
Female	207	45%	202	47%	205	46%
By age group						
Under 35 years old	191	41%	182	42%	212	47%
Between 36 to 55 years old	194	42%	181	42%	170	38%
Above 56 years old	80	17%	71	16%	68	15%
By region						
Singapore	371	80%	333	77%	338	75%
Australia	94	20%	101	23%	112	25%

The breakdown of our employees by employment type are as follows:

Performance indicator	As at 31 December 2024	
Full-time employees by gender		
Male	193	56.8%
Female	147	43.2%
Full-time employees by region		
Singapore	292	85.9%
Australia	48	14.1%
Part-time employees by gender		
Male	51	46.4%
Female	59	53.6%
Part-time employees by region		
Singapore	46	41.8%
Australia	64	58.2%

[15] A part-time employee is one who is under a contract of service to work less than 35 hours a week.
[16] The employment profile includes permanent and temporary employees.

New Employee Hires

The following table provides a breakdown of new hires by gender, age group and region:

Performance Indicator	FY 2022		FY 2023		FY 2024	
New employee hires	183		147		131	
Rate of new hire	43.9%		32.7%		29.6%	
By gender						
Male	104	57%	81	55%	64	49%
Female	79	43%	66	45%	67	51%
By age group						
Under 35 years old	129	70%	99	67%	104	79%
Between 36 to 55 years old	44	24%	37	25%	23	18%
Above 56 years old	10	5%	11	7%	4	3%
By region						
Singapore	142	78%	108	73%	64	49%
Australia	41	22%	39	27%	67	51%

Employee Turnover

The following table provides a breakdown of employee turnover by gender, age group and region:

Performance Indicator	FY 2022		FY 2023		FY 2024	
Employee turnover	162		137		115	
Rate of turnover	38.9		30.5		25.6	
By gender						
Male	82	51%	72	53%	59	51%
Female	80	49%	65	47%	56	49%
By age group						
Under 35 years old	97	60%	78	57%	73	64%
Between 36 to 55 years old	57	35%	46	34%	36	31%
Above 56 years old	8	5%	13	9%	6	5%
By region						
Singapore	112	69%	92	67%	59	51%
Australia	50	31%	45	33%	56	49%

There were zero reported incidents of discrimination in FY 2024 (FY 2023: none), and we strive to maintain our performance in this aspect.

Board Diversity

As of 1 July 2024, we have a total of 6 Directors for our Group, consisting of 3 Independent Directors and 3 Executives. Hiap Hoe has in place a board diversity policy. This policy recognises the importance of having an effective and diverse Board, taking into consideration the benefits of all aspects of diversity, including diversity of skills, experience, background, gender, age, ethnicity and other relevant factors.

More information on our Board diversity is available in the Corporate Governance section of our FY 2024 Annual Report.

Employee Training and Development

Impact on Hiap Hoe

We believe that adequate training programmes equip our employees with the necessary skills, knowledge and best practices they need to excel in their roles. Resources and investments are necessary to effectively assess and meet the requirements of training and education of employees.

Management Approach

Hiap Hoe places great importance on continuous learning as a key driver of personal and professional development, growth, and enrichment. To support this, we regularly offer training programs to ensure our employees remain skilled and up-to-date with current trends. Additionally, we have implemented job rotation for internal staff to promote engagement, workforce flexibility, and enhance the overall employee experience. Looking ahead, the Group is committed to identify and provide more focused training opportunities to further upskill our employees.

At Aloft Singapore Novena, we have introduced various employee skills enhancement programs. Among these is the New Brand and Culture Training, a thorough initiative rolled out during and since our transition to the Marriott International brand. This training provides associates with in-depth sessions to help align our staff to Hiap Hoe's branding and cultural values. Following the hotel's renovation and upgrade in 2023, operational systems were updated, making technical systems training essential to equip our staff with the skills needed to efficiently use the revamped systems.

Our dedication to continuous learning is reflected in the Online Learning Portal, powered by Marriott Global Source, which offers a wide range of online training programs tailored to specific job roles. The Digital Learning Zone ("**DLZ**") serves as a personalised platform providing employees with centralised access to compliance training, role-specific skills, and opportunities for personal and professional growth. Additionally, we utilise the "Become" tool, enabling associates to evaluate their current skillsets and identify the competencies needed to achieve their goals effectively.

We provide employees with two specialised training programs: "*Embark*" – aimed at supervisory-level associates, and "*Envision*" – designed for managers. To support these initiatives, we introduced certified departmental trainers who oversee the training within their respective teams. We also provide opportunities for taskforce involvement, cross-departmental exposure, and participation in discipline-specific conferences to further enhance the learning experiences of our associates.

Beyond skills development, Aloft Singapore Novena offers transition assistance programs. As part of this effort, we are early adopters of the Senior Workers Grant, practicing retirement at age 65 while offering re-employment opportunities up to age 70. Senior employees aged 65 and above receive annual health screenings to ensure their readiness for their roles. In cases where re-employment is no longer feasible, discussions about contract conclusion occur 3-5 months before the contract's expiry.

Our Performance

We remain committed continuous learning, as demonstrated by the average training hours outlined below, categorised by gender and employment level. In FY 2023, Aloft Singapore Novena had recorded higher training hours as attributed to the rebranding to Marriott International. A fairer comparison would then be to compare FY 2022 and FY 2024, during which we saw an increase in training hours of 19%.

Key statistics of training hours of full-time employees at Aloft Singapore Novena are as follow:

Performance indicator	FY 2022	FY 2023	FY 2024
Total training hours	4,543.36	19,601.60	5,404.16
Average training hours	24	94	26
Average training hours – by gender			
Male	21	72	29
Female	28	121	22
Average training hours – by employee category[17]			
Managerial Level	23	97	27
Non-managerial Level	25	89	23

Data on training hours of full-time employees at Aloft Perth in FY 2024 and FY 2023 are outlined below:

Performance indicator[18]	FY 2023	FY 2024
Total training hours	4,712.33	2,675.00
Average training hours	46	24
Average training hours – by gender		
Male	47	23
Female	45	25
Average training hours – by employee category[19]		
Managerial Level	47	58
Non-managerial Level	45	15

Data on training hours of full-time employees at the Corporate Office and Zhongshan Mall is outlined below:

Performance indicator	FY 2022	FY 2023	FY 2024
Total training hours	99.50	21.50	86.00
Average training hours	6	7	11
Average training hours – by gender			
Male	4	0	7
Female	12	3	11
Average training hours – by employee category[20]			
Managerial Level	4	1	8
Non-managerial Level	12	2	12

In FY 2024, 100% (FY 2023: 100%) of our employees have received a regular performance and career development review.

[17] Managerial level refers to associates in the categories Executive Committee, Head of Department, Executive. Non-managerial level refers to associates in the category non-management.

[18] FY 2023 was the base year for the reporting of training hours for Aloft Perth. We will include a 3-year comparative in the subsequent year's report.

[19] Managerial level refers to Duty Manager, Assistant Managers and Department Managers. Non-managerial level refers to Supervisor level and below.

[20] Managerial level refers to associates in the categories Executive Committee, Head of Department, Executive. Non-managerial level refers to associates in the category non-management.

Occupational Health and Safety

Impact on Hiap Hoe

At Hiap Hoe, we believe that prioritising occupational health and safety and reducing workplace incidents improve employee morale and productivity. Failure to prioritise and comply with health and safety regulations can lead to injuries or even fatalities among our employees.

Management Approach

Hiap Hoe places great emphasis on ensuring the occupational health and safety of our employees, with a proactive approach focused on continuous improvement and risk mitigation. To achieve this, we have in place a robust Occupational Health and Safety ("**OHS**") management system that monitors incidents across our hospitality operations, fostering a safe and healthy work environment.

Work, Health, and Safety ("**WHS**") training is a key component of our employees' career development. As part of this commitment, new hires are required participate in an OHS Welcome Session during their orientation, which covers critical topics such as evacuation procedures, basic first aid, emergency response, reporting protocols, and fire safety, including the use of extinguishers. The effectiveness of this training is regularly evaluated through quizzes, audits, re-training, and interactive discussions. The OHS Committee actively identifies and addresses any gaps by providing targeted training to enhance safety awareness across departments.

Our health and safety policies, aligned with industry best practices, are designed to minimise risk of accidents and protect employees' well-being. Regular risk assessments are conducted to identify potential hazards and mitigation measures are implemented as needed. In our hospitality business, all employees are covered under an OHS system that undergoes internal and external audits. Employees are also encouraged to report and remove themselves from hazardous situations without fear of reprisal. Any reported incidents are promptly investigated and effectively resolved. To further promote occupational health and safety awareness, annual health and safety training sessions are conducted for all employees in our hospitality sector. These efforts reflect our steadfast commitment to creating a secure and well-informed workplace for everyone.

Our performance

During the Reporting Period, we maintained zero (FY 2023: zero) incidents of non-compliances with regulatory standards related to the health and safety of employees.

Employees

For our employees, the 3-year comparison of work-related injuries and ill-health cases are as follows:

Performance indicator	FY 2022	FY 2023	FY 2024
Fatalities as a result of work-related injury	0	0	0
High-consequence work-related injuries	0	0	0
Number of recordable work-related injuries excluding high-consequence work-related injuries	12	14	7
Number of work-related ill-health cases	0	0	0
Number of hours worked	441,584	478,192	521,664
Rate of recordable work-related injuries excluding high-consequence work-related injuries[21]	**5.43**	**5.86**	**2.68**

[21] Rate of recordable work-related injuries was calculated by [number of recordable work-related injury divided by number of hours worked multiplied by 200,000].

Workers who are not employees

For workers who are not employees, the 3-year comparison of work-related injuries and ill-health cases are as follows:

Performance indicator	FY 2022	FY 2023	FY 2024
Fatalities as a result of work-related injury	0	0	0
High-consequence work-related injuries	0	0	0
Number of recordable work-related injuries excluding high-consequence work-related injuries	3	5	1
Number of work-related ill-health cases	0	0	0
Number of hours worked	169,541	161,304	172,515
Rate of recordable work-related injuries excluding high-consequence work-related injuries[22]	**3.54**	**6.20**	**1.16**

In FY 2024 the main causes of work-related injuries are cuts and sprains. Following the occurrence of any work-related incident, an investigation will be launched to identify the cause of the incident. Once the root cause has been identified, risk assessment and safe work procedures will be reviewed and communicated to all employees and corrective and preventative actions will be implemented. We will continuously work towards reducing both the occurrence and severity of work-related accidents.

Customer Health and Safety

Impact on Hiap Hoe

Hiap Hoe is committed in prioritising the health and safety of our customers, we understand that their well-being and satisfaction are key indicators of the quality of our services. Providing a safe and secure environment is essential not only for ensuring a positive experience but also for attracting and retaining customers. If we do not uphold the health and safety of our customers, we may face a loss of revenue and loss of customers due to poor product and service quality, and health and safety enforcement in place. As such, health and safety remain a top priority in our operations.

Management Approach

To achieve this, we have implemented comprehensive safety protocols and guidelines. These measures help us identify potential risks, analyses root causes, and take preventive actions to mitigate incidents. Clear communication of these procedures and guidelines are provided to both guests and tenants. Key policies include the Emergency Business Continuity Plan and protocols for managing customer feedback.

Fire safety is a critical component of our safety initiatives. At both the Hiap Hoe office building and Zhongshan Mall, fire drills are conducted biannually to protect employees and tenants during potential fire emergencies. These drills will also assist in identifying any weaknesses in our fire safety plans and allow for the practical rehearsal of emergency responses in a controlled environment.

At Aloft Perth, fire safety training is conducted quarterly, supplemented by biannual fire drills. Team members are also certified in First Aid, ensuring they are prepared to handle any medical emergencies. To maintain their proficiency and stay informed about updates in first aid practices, team members participate in an annual refresher training facilitated by certified external trainers. Additionally, monthly fire inspections are carried out across all our hospitality properties to ensure strict adherence to fire safety protocols. These measures reflect our unwavering commitment to the health and safety of our customers and teams.

[22] Rate of recordable work-related injuries was calculated by [number of recordable work-related injury divided by number of hours worked multiplied by 200,000].

Our performance

During the Reporting Period, we maintained zero (FY 2023: zero) incidents of non-compliances with regulatory standards related to the health and safety of customers.

GOVERNANCE

Business Ethics and Anti-Corruption

Impact on Hiap Hoe

Hiap Hoe recognises that strong governance and ethical practices are essential for building stakeholder trust and achieving long-term financial success.

Management Approach

To reinforce the importance of sound governance, we have implemented policies designed to promote integrity, accountability and transparency in our operations and interactions with business partners. These measures ensure the highest standards of corporate governance are maintained and that all activities comply with applicable laws and regulations.

The Board of Directors has fostered a culture at Hiap Hoe that emphasises accountability and ethical conduct. The Group enforces strict policies against corruption and legal violations, as outlined in its Code of Conduct, Business Ethics, and Anti-Corruption policies, which apply to all employees. These policies are communicated to new hires and made readily available on the company intranet, ensuring all employees are informed and compliant.

To address potential conflicts of interest, employees are required to submit an annual declaration, promoting awareness and adherence to the Group's conflict-of-interest policies. This process helps identify and disclose actual or potential conflicts. Any violations of the anti-corruption policies will result in disciplinary actions.

The Group also provides a secure and anonymous whistleblowing channel, enabling employees, stakeholders, or the public to report concerns or suspected misconduct without fear of retaliation. This ensures all reports are properly investigated and resolved.

Both Aloft Singapore Novena and Aloft Perth, managed by Marriott International, adhere to the Group's business principles. These principles are communicated to all employees and made accessible via the Group's intranet, reinforcing a consistent standard of ethical practice across the hospitality businesses.

Our performance

During the Reporting Period, we have achieved zero (FY 2023: zero) confirmed incidents of bribery or corruption.

Customer Privacy

Impact on Hiap Hoe

With the rapid growth in data exchange and technological advancements, protecting customer privacy has become a top priority for Hiap Hoe. As our businesses handle personal data daily, ensuring the security of customer data and information is vital for both our operations and our stakeholders.

Management Approach

To uphold customer privacy, we have implemented policies designed to safeguard customer data and reduce the risks of privacy breaches.

Hiap Hoe has established a strong governance and control framework to manage data privacy risks effectively. Our privacy policies, developed in compliance with local regulations such as the Personal Data Protection Act ("**PDPA**"), outline the principles for collecting, managing, and using personal data. All new employees receive a briefing on these policies as part of the onboarding process, with the Information Technology department conducting biannual refresher briefings for all existing employees.

We have also introduced various security measures to protect customer information. These include deploying recognised security software, storing data in a secure cloud database with built-in security controls, and implementing measures to prevent unauthorised data processing. Additionally, a firewall is installed to protect our internal network against unauthorised access. The IT department monitors and manages systems and data security, making necessary adjustments to maintain robust protection.

Our Performance

During the Reporting Period, we have achieved zero (FY 2023: zero) complaints concerning breaches of customer privacy.

GRI CONTENT INDEX

Statement of use	Hiap Hoe Limited has reported the information cited in this GRI content index for the period 1 January 2024 to 31 December 2024 with reference to the GRI Standards
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure Number & Title	Section Reference	Page Reference
	General disclosures		
GRI 2: General Disclosures 2021	2-1 Organisational details	Annual Report: About Hiap Hoe and Our Business	Page 1
	2-2 Entities included in the organisation's sustainability reporting	Sustainability Report: About this report	Page 15, 16
	2-3 Reporting period, frequency and contact point	Sustainability Report: About this report	Page 15, 16
	2-4 Restatements of information	Sustainability Report: Energy and Carbon Footprint	Page 32, 33
	2-5 External assurance	Hiap Hoe has not sought external assurance for this reporting period, and may consider it in the future	-
	2-6 Activities, value chain and other business relationships	Annual Report: Our Business	Page 1
	2-7 Employees	Sustainability Report: Social Performance	Page 40, 41, 42
	2-8 Workers who are not employees	Sustainability Report: Social Performance	Page 37
	2-9 Governance structure and composition	Annual Report: Board of Directors Sustainability Report: Our Sustainability Committee	Page 6, 7 Page 17
	2-10 Nomination and selection of the highest governance body	Annual Report: Board Membership	Page 57, 58
	2-11 Chair of the highest governance body	Annual Report: Board of Directors	Page 54, 55, 56, 57
	2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability Report: Our Sustainability Committee	Page 17
	2-13 Delegation of responsibility for managing impacts	Sustainability Report: Our Sustainability Committee	Page 17
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Report: Our Sustainability Committee	Page 17
	2-15 Conflicts of interest	Sustainability Report: Governance	Page 44

GRI Standard	Disclosure Number & Title	Section Reference	Page Reference
	2-16 Communication of critical concerns	Annual Report: Whistle-Blowing Policy	Page 66
	2-17 Collective knowledge of the highest governance body	Annual Report: Board Performance	Page 59, 60
	2-18 Evaluation of the performance of the highest governance body	Annual Report: Board Performance	Page 59, 60
	2-19 Remuneration policies	Annual Report: Remuneration Maters	Page 60, 61, 62, 63
	2-20 Process to determine remuneration	Annual Report: Remuneration Maters	Page 60, 61, 62, 63
	2-21 Annual total compensation ratio	Annual Report: Remuneration Matters	Page 61, 62
	2-22 Statement on sustainable development strategy	Sustainability Report: Board Statement	Page 14
	2-23 Policy commitments	Throughout the Annual Report and Sustainability Report	-
	2-24 Embedding policy commitments	Throughout the Annual Report and Sustainability Report	-
	2-25 Processes to remediate negative impacts	Sustainability Report: Business Ethics and Anti-Corruption	Page 44
	2-26 Mechanisms for seeking advice and raising concerns	Annual Report: Corporate Governance	Page 63, 66
	2-27 Compliance with laws and regulations	Sustainability Report: Customer Health and Safety, Good Governance	Page 43, 44
	2-28 Membership associations	No membership associations	-
	2-29 Approach to stakeholder engagement	Sustainability Report: Stakeholder Engagement	Page 18
	2-30 Collective bargaining agreements	There are no collective bargaining agreements in place	-
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Sustainability Report: Materiality Assessment	Page 19
	3-2 List of material topics		
Topic-specific disclosure			
Sustainable Economic Growth			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment	Page 28
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Sustainability Report: Economic	Page 28

GRI Standard	Disclosure Number & Title	Section Reference	Page Reference
Energy and Carbon Footprint			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment	Page 29, 30, 31, 32
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Sustainability Report: Energy and Carbon Footprint	Page 29, 30, 31, 32
	302-3 Energy intensity		
	302-5 Reductions in energy requirements of products and services		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Sustainability Report: Energy and Carbon Footprint	Page 29, 30, 31, 32
	305-2 Energy indirect (Scope 2) GHG emissions		
	305-4 GHG emissions intensity		
Water and Effluents			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment	Page 33, 34
GRI 303: Water and Effluents 2018	303-5 Water Consumption	Sustainability Report: Water Conservation	Page 33, 34
Resource Efficiency and Waste Management			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment	Page 35, 36, 37
GRI 306: Waste 2020	306-3 Waste generated	Sustainability Report: Resource Efficiency and Waste Management	Page 35, 36, 37
Fair Employment Practices			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment	Page 37, 38, 39
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Sustainability Report: Social Performance	Page 37, 38, 39
Occupational Health and Safety			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment	Page 42, 43
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Sustainability Report: Occupational Health and Safety	Page 42, 43
	403-2 Hazard identification, risk assessment, and incident investigation		
	403-3 Occupational health services		

GRI Standard	Disclosure Number & Title	Section Reference	Page Reference
	403-5 Worker training on occupational health and safety		
	403-6 Promotion of worker health		
	403-8 Workers covered by an occupational health and safety management system		
	403-9 Work-related injuries		
	403-10 Work-related ill health		
Employee Training and Development			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment	Page 40, 41
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Sustainability Report: Employee Training and Development	Page 40, 41
	401-2 Programs for upgrading employee skills and transition assistance programs		Page 40, 41
	404-3 Percentage of employees receiving regular performance and career development reviews		Page 40, 41
Customer Health and Safety			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment	Page 43
GRI 416 Customer Health and Safety	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Sustainability Report: Customer Health and Safety	Page 43
Business Ethics and Anti-Corruption			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment	Page 44
GRI 205: Anti-Corruption 2016	205-3 Confirmed incidents of corruption and actions taken	Sustainability Report: Business Ethics and Anti-Corruption	Page 44
Customer Privacy			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment	Page 45
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Sustainability Report: Customer Privacy	Page 45

TCFD DISCLOSURES

Governance		
TCDF 1(a)	Describe the board's oversight of climate-related risks and opportunities.	Sustainability Report: Our Sustainability Committee (Page 17)
TCFD 1(b)	Describe management's role in assessing and managing climate-related risks and opportunities.	
Strategy		
TCFD 2(a)	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	Sustainability Report: Group Strategy (Page 24, 25, 26, 27)
TCFD 2(b)	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	
TCFD 2(c)	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	
Risk Management		
TCFD 3(a)	Describe the organisation's processes for identifying and assessing climate-related risks.	Sustainability Report: Risk Management (Page 24, 25, 26, 27)
TCFD 3(b)	Describe the organisation's processes for managing climate-related risks.	
TCFD 3(c)	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	
Metrics and Targets		
TCFD 4(a)	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Sustainability Report: Metrics and Targets (Page 22, 23, 30, 31, 32)
TCFD 4(b)	Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions, and the related risks.	
TCFD 4(c)	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	

CORPORATE GOVERNANCE

The Board of Directors (the "**Board**" or the "**Directors**") of Hiap Hoe Limited (the "**Company**" and together with its subsidiaries, the "**Group**") is committed to upholding effective corporate procedures and policies in compliance with the Code of Corporate Governance 2018 (the "**Code**"). The Board believes that good corporate governance establishes and maintains an ethical corporate environment, which protects and enhances the interests of all shareholders.

This report describes the Company's corporate governance processes and activities that were in place throughout the financial year ended 31 December 2024 ("**FY 2024**"), with specific references made to the principles and guidelines as set out in the Code. The Company has provided the rationale for each area where it has not complied with the Code, and in such cases the Company would re-assess its deviation from the relevant guidelines and implement the recommended procedures as and when it deems it appropriate to do so.

BOARD MATTERS

The Board's conduct of affairs

Principle 1: The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Company.

The Board totals six (6) Board members and currently comprises three (3) Executive Directors (one of whom is the Executive Chairman of the Company, and another who is the Chief Executive Officer ("**CEO**")), and three (3) Non-Executive Independent Directors. Collectively, they possess the right core competencies and diversity of experience and gender, which enables them to contribute to the overall effective management of the Group.

The Directors are fiduciaries who act objectively in the best interests of the Company and hold the Company's management team (the "**Management**") accountable for performance. The Board has in place a code of conduct and ethics, sets appropriate tone from the top and desired organisational culture and ensures proper accountability within the Company. Any Director who faces conflicts of interest is required to recuse himself from discussions and decisions involving the issues of conflict.

The role of the Board pursuant to its terms of reference includes the following:

(a) meeting regularly to review and approve matters such as those relating to the Company's strategic directions, appointment of Directors and key management personnel, business results, and major funding and investment proposals;
(b) reviewing the financial performance of the Group;
(c) supervising the management of the business and affairs of the Group;
(d) reviewing the adequacy of the Group's internal controls and risk management framework;
(e) setting the Group's values and standards (including ethical standards), and ensuring that obligations to shareholders and other stakeholders are understood and met;
(f) assuming responsibility for the corporate governance of the Group; and
(g) ensuring that all decisions are made in the interests of the Group.

The Board has separate and independent access to the Management and is free to request for further clarification and information from the Management on all matters within their purview. The Board will conduct at least two (2) meetings in a year and ad hoc meetings will be convened, when required. The Company's Constitution provides for the Board to convene meetings via telephone conferences and electronic means. In addition to holding meetings, important matters concerning the Group are also put to the Board for its decision by way of written resolutions.

In order to provide an independent oversight and to discharge its responsibilities more efficiently, the Board has delegated certain functions to various committees (the "**Committees**"). These Committees are the Audit and Risk Committee ("**ARC**"), the Remuneration Committee ("**RC**"), and the Nominating Committee ("**NC**"). The respective committees have written terms of reference setting out their compositions, authorities and duties. The chairman of the respective Committees will report and update the Board on the outcome of the Committee meetings and their recommendations on the specific agendas mandated to the Committee by the Board.

CORPORATE GOVERNANCE

The Board accepts that, while these Committees have the authority to examine particular issues and will report back to the Board with their decision and/or recommendations, the ultimate responsibility on all matters lies with the Board. In particular, the Board notes that it has overall responsibility for putting in place a framework of good corporate governance in the Group, including the processes for financial reporting and compliance.

Board members are provided with complete, adequate and timely information from the Management on an ongoing basis and as and when requested by them and all relevant information on material events and transactions are circulated to the Directors as and when they arise. Draft announcements, along with sufficient information relating to the context of the relevant announcement as communicated by email or tele-conversations, will be circulated to the Board for review and approval before dissemination to the shareholders via SGXNet.

The Company's joint company secretaries (the "**Joint Company Secretaries**") would assist the Management to prepare the board papers of the Board and Committee meetings for circulation. The Directors receive the board papers at least two (2) days before the meeting so that they have ample time to review the documents. The board papers include, among others, the following documents and details:

- background or explanation on matters brought before the Board and Committees for their decision or information, including issues being dealt with by Management, relevant forecasts, announcements and projections; and
- minutes of the previous Board and Committee meeting.

All Board members have separate and independent access to the advice and services of the Joint Company Secretaries. The Joint Company Secretaries are responsible for ensuring that Board procedures (including those stipulated in the Company's Constitution) are followed and that applicable rules and regulations (including the requirements of the Companies Act 1967 and the SGX-ST Listing Manual) are complied with. At least one Joint Company Secretary and/or her representatives are present at all Board meetings, to ensure that Board procedures are complied with and to provide advice and guidance on matters of corporate governance as well as on legal and regulatory compliance. The appointment and cessation of the Joint Company Secretaries is subject to the approval of the Board.

Should Directors, whether as a group or individually, need independent advice to fulfil their duties, they may obtain independent professional advice, if necessary, at the Company's expense.

Records of the attendance of the Directors at the various meetings held during FY 2024 are as follows:

Name of Director	Board	Audit and Risk Committee	Remuneration Committee	Nominating Committee
Number of meetings held:	2	2	1	1
Number of meetings attended:				
Mr Teo Ho Beng	2	2*	1*	1*
Mr Teo Keng Joo, Marc	2	2*	1*	1*
Mr Tan Kim Seng(1)	1	1*	0	0
Mr Chan Kum Onn Roger	2	2	1	1
Ms Kwok Chui Lian	2	2	1	1
Mr Ong Seet Joon Amos	2	2	1	1

*Attendance by invitation.

Note:

(1) Mr Tan Kim Seng was appointed as Executive Director with effect from 1 July 2024.

CORPORATE GOVERNANCE

The Board has adopted internal guidelines setting out, *inter alia*, the following matters which require the Board's approval:

(a) transactions involving a conflict of interest for any substantial shareholder or Director;
(b) material acquisitions and disposals of assets;
(c) corporate or financial restructuring and share issuances, dividends and other returns to shareholders; and
(d) matters as specified under the Company's interested person transaction policy.

The Company also ensures that all Directors understand the Company's business as well as their directorship duties. Newly-appointed Directors are provided with background information about the Group and are invited to visit the Group's operations and facilities to have an understanding of the Group's business operations. Formal letters were issued to newly-appointed Directors upon their appointment explaining their statutory and other duties and responsibilities as a Director of the Company. In line with Rule 201(5)(a) of the SGX-ST Listing Manual, the Company will arrange for newly-appointed directors who have no prior experience as directors of an issuer listed on the SGX to undergo the mandatory SGX prescribed training on their roles and responsibilities unless the NC otherwise at its discretion waives the need for the newly-appointed Director to attend the mandatory SGX prescribed training. It is noted that Mr Tan Kim Seng had prior experience as a director of issuers listed on the SGX-ST, and as such, does not have to undergo the mandatory SGX prescribed training.

Directors are encouraged to participate in seminars, discussion groups, or external training programmes to be kept abreast of the latest developments relevant to the Group's businesses and to develop and maintain their skills and knowledge at the Company's expense. The Board also receives updates from time to time, particularly on relevant new laws and regulation, changing commercial risks, and business conditions from the Company's relevant advisors and the Management.

As at the date of this Annual Report, the Directors have attended the mandatory sustainability training courses prescribed by the SGX-ST. The Directors have also attended briefings by the external auditor on the changes and amendments to the accounting standards for FY 2024.The Directors have also attended other external programmes and seminars such as the Climate Governance Singapore Forum, CTP 2: Extracting Real Value and Impact from ESG and CGS: Understanding Directors' Duties in Climate Risk.

BOARD COMPOSITION AND GUIDANCE

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company.

The Board currently comprises three (3) Executive Directors and three (3) Non-Executive Independent Directors. As at the date of this Annual Report, the Non-Executive Independent Directors make up half of the Board. The Company is of the view that it maintains a satisfactory independent element on the Board as half of the Board comprises Independent Directors and the Company believes that the Board is able to exercise independent judgement on corporate affairs. In line with Provision 3.3 of the Code, since the Chairman is not independent, the Board has appointed Mr Chan Kum Onn Roger as the Lead Independent Director. Accordingly, there is a strong independent element in the Board and the Company is in compliance with Provision 3.3 of the Code. The members of the Board are as follows:

Executive Directors

Mr Teo Ho Beng (Executive Chairman)

Mr Teo Keng Joo, Marc (CEO)

Mr Tan Kim Seng

Non-Executive Independent Directors

Mr Chan Kum Onn Roger (Lead Independent Director)

Ms Kwok Chui Lian

Mr Ong Seet Joon Amos

CORPORATE GOVERNANCE

As at the date of this Annual Report, the position of Executive Chairman is held by Mr Teo Ho Beng. Whilst the Chairman is not independent, it is noted that Non-Executive Independent Directors make up half of the Board, in accordance with Rule 210(5)(c) of the SGX-ST Listing Manual, thereby ensuring proper balance of power and authority in the Group.

Mr Teo Ho Beng holds the positions of the Executive Chairman of the Company. Notwithstanding provisions 2.2 and 2.3 of the Code which recommends that independent directors should make up a majority of the Board where the Chairman is not independent and non-executive directors should make up a majority of the Board, the Board and the NC is of the view that the Non-Executive Independent Directors on the Board, which make up three (3) out of six (6) of the Board, are able to exercise their powers objectively and independently from the Management, to avoid undue influence of the Management over the Board and ensure appropriate checks and balances are in place. Accordingly, the Board believes that there is a sufficiently strong independent element on the Board to maintain appropriate checks and balances and avoid undue influence of the Management on the Board's decision-making process. The Company further believes that the existing Board composition is also consistent with the intent of Principle 2 of the Code as the Non-Executive Independent Directors, who chair the Board committees, are independent and are able to provide the appropriate level of independence and diversity of thought and background and to make decisions in the best interests of the Company.

The independence of each Non-Executive Independent Director is reviewed annually by the NC. The NC has adopted the Code's and SGX-ST Listing Manual's definition of what constitutes an independent director in its review. Pursuant to Provision 2.1 of the Code, an "independent" director is one who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the Company. Under Rule 210(5)(d) of the SGX-ST Listing Manual, a director will not be considered independent (i) if he is employed or has been employed by the Company or any of its related corporations for the current or any of the past three (3) financial years, (ii) if he has an immediate family member who is employed or has been employed by the Company or any of its related corporations for the current or any of the past three (3) financial years, and whose remuneration is determined by the remuneration committee of the Company, or (iii) if he has been a director of the Company for an aggregate period of more than nine (9) years.

The Board has identified each of the Company's Non-Executive Independent Directors to be independent, after determining, taking into account the views of the NC, whether the Director is independent in character and judgement and whether there are relationships or circumstances which are likely to affect, or could appear to affect, the Director's judgement. Each Director is required to disclose to the Board any such relationships or circumstances as and when it arises. In addition, every year, each Non-Executive Independent Director is required to complete the Director's independence form to confirm his or her independence annually based on the guidelines set out in the Code.

The Board's and Committees' structure, size and composition are reviewed annually by the NC. The NC, with the concurrence of the Board, is of the view that the Board's and Committees' current size is appropriate and has the right mix of skills, knowledge and experience given the nature and scope of the Group's operations, and other aspects of diversity such as gender and age. The Directors as a group provide a diversity of skills, knowledge, as well as extensive experience in business management, strategic planning, and knowledge in accounting and finance, all of which are crucial in steering the Group towards the direction of growth and in avoiding group think and fostering constructive debate.

In reviewing the appointments of new Directors (including any future appointments of new Directors), the Board together with the NC ensures that it sets the relevant objectives to promote and achieve diversity on the Board. In discharging its duties, the Board and the NC shall give due regard to the benefits of all aspects of diversity and strive to ensure that the Board is appropriately balanced to support the long-term success of the Company. The main objective is to continue to maintain the appropriate balance of perspectives, skills and experience on the Board to support the long-term success of the Company.

The Company has adopted a board diversity policy which recognises the importance of having an effective and diverse Board, taking into consideration the benefits of all aspects of diversity, including diversity of skills, experience, background, gender, age, ethnicity and other relevant factors. In reviewing the board composition, the NC will consider the balance of skills, experience, director independence, potential impact on boardroom

CORPORATE GOVERNANCE

dynamics, other principal commitments, previous employment held in the Company, if any, and knowledge of the Company on the Board and the diversity representation of the Board. High emphasis is placed on ensuring a balanced composition of skills and experience at the Board level in order to provide a range of perspectives, insights and challenge that enable the Board to discharge its duties and responsibilities effectively, support good decision making in view of the core businesses and strategy of the Group, and support succession planning and development of the Board. Further to this, the Board and the NC will also continue to take into consideration the need for diversity on the Board in the appointment of new Directors in line with the intent of Principle 2 of the Code. The Board consists of directors with ages ranging from late 30s to early 70s, who have served on the Board for different tenures. The Company is pleased to note that there is currently one (1) female Director on the Board, in line with its board diversity policy.

The Board notes that the Company's Non-Executive Independent Directors are able to constructively challenge the Management's mindset and planning, with a view to the best interests of the Group. They also play a crucial role in helping the Management develop proposals on business strategy and in reviewing the performance of the Management. The Company would arrange to avail the Company's premises for use by the Non-Executive Independent Directors at any time to meet regularly without the presence of the Management.

Details of the Directors' academic and professional qualifications can be found on pages 6 and 7 of the Annual Report.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision making.

To ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision making, the Chairman and CEO are separate persons. Mr Teo Ho Beng is the Executive Chairman of the Company, while Mr Teo Keng Joo, Marc, the son of Mr Teo Ho Beng, is the CEO of the Company. Notwithstanding this relationship, the Board is of the view that there is a clear division of responsibilities between the two roles with adequate accountability.

As the Executive Chairman, Mr Teo Ho Beng performs the following in relation to Board proceedings:

(a) schedule meetings that enable the Board to perform its duties responsibly while not interfering with the Company's operations;
(b) prepare meeting agendas in consultation with the CEO and the Management;
(c) exercise control over quality, quantity and timelines of the flow of information between the Management and the Board;
(d) promote a culture of openness and debate at the Board;
(e) facilitate the effective contribution of the Non-Executive Independent Directors in particular to the Board and Group affairs; and
(f) assist in ensuring compliance by the Company with the Code's guidelines on corporate governance.

The Executive Chairman and CEO are responsible for the day-to-day management of the Group and in developing the businesses of the Group. Major decisions made by the Executive Chairman and CEO, are reviewed by the ARC and approved by the Board.

As the position of Executive Chairman is part of the Management and not independent, in line with Provision 3.3 of the Code, the Board has appointed Mr Chan Kum Onn Roger as the Lead Independent Director to provide leadership when the Executive Chairman is conflicted. The Lead Independent Director is available to Shareholders where they have concerns for which contact through normal channels of communication with the Executive Chairman, CEO or the Management has failed to resolve or for which such contact is inappropriate or inadequate.

In line with the Code, the Non-Executive Independent Directors, led by the Lead Independent Director, meet at least once a year without the presence of the other Executive Directors and the Management. After such meetings, the Lead Independent Director would provide feedback to the Executive Chairman and CEO.

CORPORATE GOVERNANCE

As such, the Board is of the view that there is a clear division of responsibilities between the Board and the Management and there are adequate safeguards in place to ensure a balance of power and authority on the Board, such that no one individual represents a considerable concentration of power.

The Company is of the view that it maintains a satisfactory independent element on the Board as half of the Board comprises Independent Directors and the Company believes that the Board is able to exercise independent judgement on corporate affairs. Provision 2.2 of the Code, however, recommends that independent directors make up a majority of the Board where the chairman is not Independent.

The NC and the Board are of the view that although the Independent Directors do not currently make up a majority of the Board, they make up half of the Board and all of the Directors have debated vigorously on the subject matters tabled at the Board meetings held in FY 2024, regardless of whether they are independent or not. All decisions of the Board are based on collective decision without any individual or small group of individuals influencing or dominating the decision-making process. In addition, the NC and the Board believe that Mr Teo Ho Beng, as one of the founders and controlling shareholders of the Group and the Managing Director since the Company's listing, is in the best position to lead the Board as Executive Chairman.

BOARD MEMBERSHIP

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

The NC comprises entirely of three (3) Non-Executive Independent Directors and they are:

1) Ms Kwok Chui Lian (Chairman of the NC);
2) Mr Chan Kum Onn Roger; and
3) Mr Ong Seet Joon Amos.

The principal functions of the NC based on its terms of reference include the following:

(a) identifying and making recommendations to the Board as to the Directors who are to retire by rotation and who are to be put forward for re-election at each annual general meeting ("**AGM**") of the Company;
(b) determining annually whether or not a Director is independent;
(c) deciding, in relation to a Director who has multiple board representations, whether or not such Director is able to and has been adequately carrying out his or her duties as a Director of the Company;
(d) identifying and nominating candidates for the approval of the Board to fill vacancies in the Board as and when they arise;
(e) reviewing and making recommendations to the Board regarding the Board's structure, size, composition, and core competencies, having regard at all times to the principles of corporate governance and the Code;
(f) reviewing succession plans for directors, in particular the appointment and/or replacement of the Chairman, CEO and key management personnel;
(g) appointment and re-appointment of Directors;
(h) creating the process and criteria for evaluating the effectiveness of the Board, as a whole, the Committees and the contribution of the Directors to the effectiveness of the Board; and
(i) reviewing training and professional development programmes.

New Directors are appointed by way of a Board resolution after the NC has approved their nomination. These new Directors must submit themselves for re-election at the next AGM of the Company in accordance with Regulation 91 of the Company's Constitution. The NC would through various avenues, source for suitable candidates as new Director(s) and appraise the candidates to ensure they have the relevant experience and calibre to contribute effectively to the Group. These avenues include the Directors' personal contacts, search companies or through internal assessments conducted on any suitable candidates within the Group. As and when necessary, the Company will release announcements on the appointments or cessations of its Directors via SGXNet.

The NC makes recommendations to the Board on all Board appointments and re-nominations. The NC has conducted the annual review of the Directors' independence based on the circumstances set forth in Provision

CORPORATE GOVERNANCE

2.1 of the Code. The NC, having evaluated the independence of each of the Non-Executive Independent Directors, is of the view that Mr Chan Kum Onn Roger, Ms Kwok Chui Lian and Mr Ong Seet Joon Amos are independent.

The Company's Constitution provides for at least one-third of the Directors to retire from office by rotation at each AGM. The retiring Directors shall be eligible for re-election at the AGM. Pursuant to Rule 720(4) of the SGX-ST Listing Manual, all directors submit themselves for re-nomination and re-appointment at least once every three years.

The Board has accepted the NC's nomination of Mr Ong Seet Joon Amos and Ms Kwok Chui Lian, who are retiring pursuant to Regulation 106 of the Company's Constitution for re-election at the Company's forthcoming AGM. It is further noted that the re-election of Mr Tan Kim Seng who is retiring pursuant to Regulation 91 of the Company's Constitution will be proposed at the Company's forthcoming AGM.

The NC is also tasked with deciding whether or not a Director is able to and has been adequately carrying out his or her duties as a Director, particularly when he has multiple board representations. For the avoidance of doubt, all Directors are required to declare their board representations to the Board and the Management. As a guide, Directors should not have more than six (6) listed companies board representations and other principal commitments. None of the Non-Executive Independent Directors have more than six (6) listed companies board representations and other principal commitments. After conducting reviews, the NC is satisfied that sufficient time and attention are being given by the Directors to the affairs of the Group and that the Directors have been adequately carrying out their duties as Directors of the Company.

Details of the appointment of each Director, including the date of initial appointment and the date of last re-election as a Director of the Company, as well as their directorships in other listed companies, both current and for the preceding three (3) years, are set out below:

Name of Director	Date of Initial Appointment	Date of Last Re-election	Directorship in Listed Companies	
			Past Preceding 3 years	Present
Mr Teo Ho Beng	16 January 2003	30 April 2024	-	Ley Choon Group Holdings Limited
Mr Teo Keng Joo, Marc	11 May 2017	30 April 2024	-	-
Mr Tan Kim Seng	1 July 2024	Not applicable	Amara Holdings Limited	
Mr Chan Kum Onn Roger	3 May 2023	30 April 2024	-	-
Ms Kwok Chui Lian	2 January 2024	30 April 2024	-	-
Mr Ong Seet Joon Amos	2 January 2024	30 April 2024	-	1. Koh Brothers Group Ltd 2. Tiong Seng Holdings Ltd

BOARD PERFORMANCE

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

Once every financial year, all Directors are requested to complete a Board performance evaluation questionnaire to assess the overall effectiveness of the Board for the year under review. The Joint Company Secretaries will compile the Directors' responses to the questionnaire into a summarised report and circulate the same to the Board for discussion. The results of the exercise are reviewed by the NC before submission of the same to the Board for further discussion. The Board will determine areas for improvement and methods to enhance Board effectiveness.

For FY 2024, the NC had evaluated the Board's performance as a whole, including the participation and contribution of the Non-Executive Chairman and the individual Directors to the Management of the Company at the Board and Committee Meetings. To assess the effectiveness of the Board as a whole, the factors considered by the NC include but are not limited to:

(a) the current size and composition of the Board;
(b) the discussion and decision-making processes of the Board (including quality of the Board's conduct of meetings);
(c) the Board's access to information;
(d) the observation of risk management and internal control policies by the Board; and
(e) the performance of the Board (including the Board's performance in relation to the discharge of its principal responsibilities in terms of the financial indicators set out in the Code).

For FY 2024, the NC has also evaluated the performance of the Directors. To assess the contribution of each individual Director, the factors evaluated by the NC include but are not limited to:

(a) his or her participation at the meetings of the Board;
(b) his or her ability to contribute to the discussions conducted by the Board and to constructively challenge and contribute effectively to the Board;
(c) his or her ability to evaluate the Company's strength and weaknesses and make informed business decisions;
(d) his or her ability to interpret the Company's financial reports and contribute to the formulation of strategies, budgets and business plans that are compatible with the Group's vision and existing business strategy;
(e) his or her compliance with the policies and procedures of the Group;
(f) his or her performance of specific tasks delegated to each Director;
(g) his or her disclosure of any related person transactions or conflicts of interest; and
(h) for Independent Directors, his or her independence from the Group and the Management.

With respect to FY 2024, the Board, in consultation with the NC, considered the performance of each individual Director and the Board to be satisfactory. For the avoidance of doubt, each member of the NC abstained from voting on any resolution in respect of the assessment of his performance or re-nomination as Director.

For FY 2024, the Board had also evaluated the performance of the ARC, NC and RC. To assess the performance of each Committee, the factors evaluated by the Board include but are not limited to:

(a) the ARC/NC/RC's ability to function properly and to discharge its responsibility effectively;
(b) the ARC/NC/RC's meetings are conducted in a manner that allows a frank and candid exchange of views;
(c) there is strong support from Management in the preparation and submission of papers for discussion;
(d) papers for meetings are distributed to members in advance and they do contain adequate details on issues for discussion;
(e) members do have sufficient expertise and knowledge to ask searching questions and challenge Management on its judgement and findings on issues for discussion; and
(f) ARC/NC/RC will not hesitate to seek outside third party professional and expert advice as and when the need arises.

The Board considered the performance of the ARC, NC and RC to be satisfactory in FY 2024.

REMUNERATION MATTERS

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company.

Principle 8: The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

The RC comprises entirely of Non-Executive Directors, the majority of whom (including the Chairman of the RC) are Non-Executive Independent Directors and they are:

1) Mr Ong Seet Joon Amos (Chairman of the RC);
2) Mr Chan Kum Onn Roger; and
3) Ms Kwok Chui Lian.

One of the key roles of the RC is to review and recommend to the Board a general framework of remuneration for the Directors and the key management personnel and the specific remuneration packages for each Director as well as for the key management personnel. The RC also considers all aspects of remuneration, including termination terms, to ensure they are fair. For the avoidance of doubt, no Director or member of the RC is involved in deciding his or her own remuneration. The Company has not engaged any remuneration consultants.

Remuneration matters concerning the Board, key management personnel, and employees who are immediate family members of a Director

The Company adopts a remuneration policy for Executive Directors and key management personnel, which comprises a fixed component and a variable component. The fixed component is in the form of a monthly base salary, whereas the variable component is in the form of a variable bonus that is linked to the performance of the Company and the individual. The variable bonus is aligned with the interests of shareholders and other stakeholders and promotes the long-term success of the Company.

The RC's objective is to establish and maintain a level of remuneration that would be appropriate to attract, retain and motivate the Directors and key management personnel to run the Company successfully in the long term. The RC has adopted a framework of remuneration for the Board and determined specific remuneration packages for each Executive Director. The recommendations of the RC are submitted to the Board for endorsement.

The Executive Directors have service agreements which are renewed annually. The service agreements may be terminated by either the Company or the Executive Directors by giving six (6) months' written notice to the other party. The RC also reviews the Company's obligations arising in the event of termination of the Executive Directors and key management personnel's contracts of service to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

The Company is of the view that there is no requirement to institute contractual provisions to allow the Company to reclaim incentive components of Executive Directors' remuneration paid in prior years in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss, as they owe a fiduciary duty to the Company and the Company should be able to avail itself to remedies against the Executive Directors in the event of such breach of fiduciary duties.

CORPORATE GOVERNANCE

Non-Executive Directors, including Non-Executive Independent Directors, are paid Directors' fees, taking into consideration individual contribution, including effort, attendance at various meetings, time spent and responsibilities held at the Committee level. The breakdown of those fees is as follows:

Independent / Non-Executive Director	$40,000
Chairman of Audit and Risk Committee	$15,000
Chairman of Remuneration Committee	$ 5,000
Chairman of Nominating Committee	$ 5,000

Such fees are subject to the approval of shareholders at the AGM every year.

The members of the RC possess general knowledge in the field of executive remuneration and/or compensation and have access to external professional advice. The RC ensures that in the event of such advice being sought, existing relationships, if any, between the Company and its appointed remuneration consultants will not affect the independence and objectivity of the remuneration consultants. In setting remuneration packages, the Company takes into consideration the remuneration and employment conditions within the same industry and in comparable companies, as well as the Group's relative performance and the performance of the individuals. To avoid poaching of the Company's staff and in the interest of privacy and confidentiality of remuneration matters and taking into consideration the relative size as well as the competitive business environment in which the Group operates in, the Company is not disclosing the precise remuneration of the top key management personnel (excluding Executive Directors) of the Group in the Annual Report. The Company also took into consideration the disadvantages which would be caused to the Group's business interest would far outweigh the benefits of such disclosure as well as the sensitivity of remuneration matters and the need to maintain the confidentiality of the remuneration packages of the top key management personnel of the Group. However, the Company shall disclose the remunerations in bands of S$250,000 and provide a detailed breakdown in percentage terms of the same. In view of the aforementioned reasons, the Company believes that whilst it has not disclosed the precise remuneration and in aggregate total remuneration of the top key management personnel (excluding Executive Directors) of the Group, its current disclosure is consistent with the intent of Principle 8 of the Code as shareholders are still given information on the level and mix of remuneration in percentage terms and that the interests of shareholders will not be prejudiced as a result of such non-disclosure of the total remuneration in dollar terms for the key management personnel. In line with the recent amendments to the Listing Rules, the Company sets out below the exact amount and breakdown of remuneration paid to its individual Directors and the CEO by the Company and its subsidiaries for FY 2024.

Details of the remuneration of the Directors (in S$ and percentage terms) are as follows:

Directors	**Fees (1)**		**Salary (2)**		**Bonus (3)**		**Other Benefits (4)**		**Total**	
	S$	**%**	**S$**	**%**	**S$**	**%**	**S$**	**%**	**S$**	**%**
Executive Directors										
Mr Teo Ho Beng	-	-	1,806,570	76	534,706	23	18,162	1	2,359,438	100
Mr Teo Keng Joo, Marc	-	-	294,942	73	87,297	22	21,488	5	403,727	100
Mr Tan Kim Seng *	-	-	180,000	78	45,246	20	3,827	2	229,073	100
Non-executive Directors										
Mr Chan Kum Onn Roger	55,000	100	-	-	-	-	-	-	55,000	100
Ms Kwok Chui Lian	45,000	100	-	-	-	-	-	-	45,000	100
Mr Ong Seet Joon Amos	45,000	100	-	-	-	-	-	-	45,000	100

* Mr Tan Kim Seng was appointed as Executive Director with effect from 1 July 2024.

Notes:

(1) Directors' fees proposed for FY 2024.
(2) Salary includes gross salary and Central Provident Fund ("**CPF**") contribution.
(3) Bonus includes salary and CPF contribution.
(4) Other benefits include use of the company car and its maintenance costs.

The Company has only four management members as key management personnel ("**KMP**") for FY 2024. The remuneration paid to the KMP (excluding Executive Directors and CEO) of the Group in FY 2024 (in percentage terms) is as follows:

Top Four (4) Executives' Remuneration	Salary [1]	Bonus [2]	Other Benefits [3]	Total
Between $750,001 to $1,000,000				
Mr Roland Teo Ho Kang	78%	20%	2%	100%
Between $250,001 to $500,000				
Ms Teo Poh Sim Agnes	73%	22%	5%	100%
Ms Irene Cheah Lan Kwee	77%	23%	-	100%
$250,000 and below				
Mr Teo Ho Kheong Andrew	78%	13%	9%	100%

Notes:

(1) Salary includes gross salary and CPF contribution.
(2) Bonus includes salary and CPF contribution.
(3) Other benefits include use of the company car and its maintenance costs.

The remuneration of employees who are immediate family members of a Director or the CEO is disclosed below:

Remuneration Bands	Number of Employees
$100,001 to $200,000	3
$200,001 to $300,000	1
$300,001 to $400,000	1
$800,001 to $900,000	1

Ms Sin Wong Chan is the spouse of Mr Teo Ho Beng and Ms Teo Poh Ho Josephine and Ms Teo Poh Leng Jocelyn are the sisters of Mr Teo Ho Beng whose remuneration ranged between $100,001 and $200,000 for FY 2024.

Mr Teo Ho Kheong Andrew is the brother of Mr Teo Ho Beng whose remuneration ranged between $200,001 and $300,000 for FY 2024.

Ms Teo Poh Sim Agnes is the sister of Mr Teo Ho Beng whose remuneration ranged $300,001 and $400,000 for FY 2024.

Mr Roland Teo Ho Kang is the brother of Mr Teo Ho Beng whose remuneration ranged $800,001 and $900,000 for FY 2024.

Save for the remuneration of Ms Sin Wong Chan, Ms Teo Poh Ho Josephine and Ms Teo Poh Leng Jocelyn, the amounts and breakdown of the remuneration of the immediate family members of substantial shareholders or Director or CEO of the Company has been disclosed in the remuneration table above for the top four (4) executives.

Save as disclosed above, there are no employees who are substantial shareholders of the company, or are immediate family members of a director, the CEO, or a substantial shareholder of the Company, and whose remuneration exceed S$100,000 during FY 2024.

In respect of the Company's decision not to disclose the amounts and breakdown of the remuneration of employees who are immediate family members of a substantial shareholder, Director or CEO of the Company

("**Related Employees**") in dollar terms, this decision was taken after careful deliberation and taking into consideration the confidential nature and sensitivity of remuneration matters, the relative size of the Group as well as the competitive business environment in which the Group operates in. The Company also took into consideration the disadvantages which would be caused to the Group's business interest would far outweigh the benefits of such disclosure and as well as the sensitivity of remuneration matters and the need to maintain the confidentiality of the remuneration package of the Related Employees.

The Company has adopted a disclosure of the remuneration band which each Related Employee falls within and which would still enable shareholders to understand the Company's remuneration structure for Related Employees.

The Company believes that notwithstanding its decision not to disclose the amounts and breakdown of the remuneration of Related Employees, its current disclosure is consistent with the intent of Principle 8 of the Code and that the interests of shareholders will not be prejudiced as a result of such non-disclosure of the total remuneration in dollar terms for the Related Employees.

The Company currently does not have any long-term incentive scheme or employee share option scheme.

ACCOUNTABILITY AND AUDIT

The Board is accountable to shareholders for the management of the Group. The Board is mindful of its obligations to provide an assessment of the Company's performance and updates shareholders on the operations and financial position of the Company through half yearly results announcements through SGXNet. The Board will also release timely announcements of other matters to ensure full disclosure of material information, as prescribed by the SGX-ST Listing Manual and other relevant rules and regulations. In particular, price sensitive information is publicly announced before it is communicated to any other interested person.

The Management, who is accountable to the Board, provides the Board with the necessary financial information for the discharge of the Board's disclosure duties. The Board is provided with periodic financial reports and other relevant disclosure documents, where appropriate, by the Management.

Further to the above, the Company also completes and submits compliance checklists to SGX-ST (if applicable and when required) to ensure that all announcements, circulars or letters to shareholders comply with the requirements set out in the SGX-ST Listing Manual. The Board is also notified by the Management, the Joint Company Secretaries, and the Company's auditors on any statutory changes or updates in regulatory or accounting standards affecting the Group. The Board will, after reviewing the necessary documents and/or discussions at any Board or Committee meetings, take action where it deems appropriate to do so to ensure that the Group complies with the prescribed requirements.

RISK MANAGEMENT AND INTERNAL CONTROLS

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls to safeguard the interests of the Company and its shareholders.

The Board determines the nature and extent of the significant risks which the Company is willing to take in achieving its strategic objectives and value creation. The Company has put in place a risk management and internal controls system in relation to the Group's financial, operational, compliance and information technology controls. Risk management and internal controls are detailed in formal instructions, standard operating procedures, and financial authority limits policies. The principal aim of the internal control system (including financial, operational, compliance and information technology controls) and risk management system is to safeguard shareholders' investments and the Group's assets.

The Management maintains the risk management and internal controls system and the Board monitors the Group's risks through the ARC and the Company's internal auditors. In designing these controls, the Company has considered the risks to which the business is exposed, the likelihood of such risks occurring and the costs of protecting against them.

CORPORATE GOVERNANCE

The Group maintains a system of internal controls for all companies within the Group. The Board acknowledges that it is responsible for the overall internal controls framework, but recognises that no cost-effective internal control system will preclude all errors and irregularities, as such systems are designed to manage rather than eliminate all risks of failure in achieving business objectives. The internal controls system is implemented to provide reasonable, but not absolute, assurance against material misstatement or loss, with a view to safeguard shareholders' investments and the Group's assets.

The Group has adopted the Enterprise Risk Management ("**ERM**") framework pursuant to which it has established risk management policies and guidelines for adoption. The ERM framework is designed to enable Management to address the operational risks, financial risks, compliance risks of key operating units in the Group. The ERM sets out the following processes:

(a) identifying each risk factor which the Group is exposed to;
(b) quantifying each exposure's size in terms of cash valuations;
(c) inserting these figures into a risk estimation calculation and mapping out the results;
(d) identifying the Group's overall risk exposures as well as the contribution to the overall risk as derived from each risk factor;
(e) setting up a process to report on these risks periodically to the Management, who will set a committee of division heads and executives to determine capital allocations, risk limits, and risk management policies; and
(f) monitoring the Group's compliance with these policies and risk limits.

The ERM provides a point of reference for the Company to address the on-going changes and challenges in its business environment, manage and reduce commercial uncertainties, facilitate shareholder value creation process, and assist the ARC and the Board in discharging their responsibilities.

The ARC is responsible for overseeing the internal controls and risk management of the Group and the Board of Directors reviews the adequacy and effectiveness of the key internal controls including financial, operational, compliance and information technology controls, as well as risk management systems on an on-going basis, such reviews of which are carried out internally or with the assistance of any competent third parties. In particular, it was noted by the ARC and the Board that the Company's external auditors confirmed that proper accounting records are maintained for FY 2024 and that the financial information used for business purposes and for publication in the relevant financial period is reliable. The internal and external auditors, pursuant to their respective terms of appointment, report to the ARC any audit findings relating to internal controls, and the ARC reviews the adequacy of the actions taken by the Management to address the recommendations of the internal and external auditors.

In addition, the Board has received assurance from the CEO and the Chief Financial Officer ("**CFO**") for FY 2024 that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances.

The Board has also received assurance from the CEO and other key management personnel responsible, regarding the adequacy and effectiveness of the Company's risk management and internal control systems for FY 2024.

Based on the ERM framework and internal controls established and maintained by the Company, work performed in conjunction with the statutory audit, and reviews performed by the Management, various Committees and the Board in respect of the internal controls (including financial, operational, compliance and information technology controls) and the risk management system, the Board, having concurred with the ARC, is satisfied with the adequacy and effectiveness of the issuer's internal controls (including financial, operational, compliance and information technology control) and risk management systems for FY 2024. The Company has thereby complied with Rule 1207(10) of the SGX-ST Listing Manual.

CORPORATE GOVERNANCE

AUDIT AND RISK COMMITTEE

Principle 10: The Board has an Audit Committee which discharges its duties objectively.

The ARC comprises entirely of Non-Executive Directors, the majority of whom (including the Chairman of the ARC) are Non-Executive Independent Directors, and the members are as follows:

1) Mr Chan Kum Onn Roger (Chairman of the ARC);
2) Ms Kwok Chui Lian; and
3) Mr Ong Seet Joon Amos.

The role of the ARC is to assist the Board of Directors in the execution of its corporate governance responsibilities within its terms of reference and requirements.

The functions of the ARC include:

(a) reviewing any significant financial reporting issues and judgements so as to preserve the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance;
(b) reviewing the audit plans of the internal and external auditors, their audit report, the Management's letter, the Management's responses and evaluation of the adequacy of the Company's system of internal accounting controls;
(c) reviewing the assurance from the CEO and the CFO on the financial records and financial statements;
(d) reviewing the half year and full year financial statements before submission of the same to the Board for approval;
(e) reviewing annually the scope and results of the internal controls and risk management system including the adequacy and effectiveness of the internal audit functions;
(f) reviewing the assistance given by the Management to the external auditors;
(g) overseeing the internal controls and risk management of the Company and assessing the adequacy and effectiveness of these internal controls and risk management systems;
(h) reviewing the scope and results and the cost-effectiveness, the independence and objectivity of the external auditors and internal audit function, annually, and the nomination of the external auditors' re-appointment as auditors of the Company;
(i) making recommendations to the Board on (i) the proposals to the shareholders on the appointment and removal of external auditors and (ii) the remuneration and terms of engagement of the external auditors;
(j) reviewing all non-audit services provided by the external auditors so as to ensure that any provision of such services would not affect the independence of the external auditors;
(k) investigate any matters within its terms of reference;
(l) reviewing interested person transactions falling within the scope of the SGX-ST Listing Manual; and
(m) reviewing and overseeing arrangements by which employees of the Group may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters and ensure that arrangements are in place for such concerns to be raised and independently investigated and for appropriate follow up actions to be taken.

The Board is of the opinion that the members of the ARC have sufficient expertise and experience to discharge their duties effectively. The ARC Chairman and the ARC members have relevant accounting or related financial management expertise and experience.

The ARC has full access to all records concerning staff personnel and other relevant information which the ARC considers necessary to enable it to properly discharge its function, and has full discretion to invite any Director and/or executive officer to attend its meetings. Each member of the ARC shall abstain from voting on any resolutions in respect of matters which he has an interest in. The ARC expects to receive full co-operation from the Management and external auditors in this respect.

The ARC met twice during FY 2024. The ARC meets with the external auditors without the presence of the Company's Management at least once a year and this was observed in FY 2024. For the avoidance of doubt, no former partner or director of the Company's existing audit firm is a member of the ARC.

CORPORATE GOVERNANCE

The aggregate amount of fees paid to the external auditors amounted to approximately S$415,000 for audit services and S$79,000 for non-audit services performed during FY 2024.

In selecting suitable audit firms, the ARC relies on the Quality Indicators Disclosure Framework published by the Accounting and Corporate Regulatory Authority and takes into account several considerations such as the adequacy of the resources and experience of the auditing firm and the audit engagement partner assigned to the audit, the firm's other audit engagements, the current size and complexity of issues of the Group being audited, and the number and experience of supervisory and professional staff assigned to the audit.

The ARC has conducted a review of all non-audit services provided by the external auditors for FY 2024, and is satisfied with the independence and objectivity of the external auditors. The ARC has recommended to the Board that Messrs Ernst & Young LLP be nominated for re-appointment as auditors at the forthcoming AGM.

Save for the Group's subsidiaries incorporated in the United Kingdom, the Company and all its Singapore subsidiaries are audited by Messrs Ernst & Young LLP and the Group's subsidiaries incorporated in Australia are audited by member firms of EY Global. The ARC and the Board has reviewed the appointment of HLB Beever and Struthers, Manchester as the audit firm of its subsidiaries incorporated in the United Kingdom and is of the view that the appointment does not comprise the standard and effectiveness of the audit of the Group and that the Group has complied with Rule 716 of the SGX-ST Listing Manual.

The external auditors regularly update the ARC on the changes to accounting standards and issues which will have a direct impact on financial statements.

The Company has also established a Code of Conduct and Business Ethics which applies to all employees of the Group. The areas covered include conduct at the workplace, business conduct, protection of the Company's assets, confidentiality of information, and potential conflicts of interest. Directors, key executives, and employees are expected to observe and uphold high standards of integrity which are in compliance with the Company's policies and regulations.

Whistle-Blowing Policy

The Company has in place a whistle-blowing framework, endorsed and overseen by the ARC, pursuant to which employees of the Group have direct access to the Chairman of the ARC to raise concerns about possible corporate improprieties in matters of financial reporting or other matters. The objective of such arrangements is to ensure both independent investigation of such matters and appropriate follow-up action are taken, and that employees or external parties making any reports in good faith will be able to do so with the confidence that they will be treated fairly and protected from reprisal or detrimental or unfair treatment. The ARC is responsible for the oversight and monitoring of whistleblowing matters. The Company will ensure the confidentiality of any whistle-blower and allow disclosures to be made anonymously.

There were no whistle-blowing letters received during FY 2024 and as of the date of this Annual Report.

INTERNAL AUDIT

Rule 719(3) of the SGX-ST Listing Manual: The company must establish and maintain on an ongoing basis, an effective internal audit function that is adequately resourced and independent of the activities it audits.

The Company has established and maintains on an ongoing basis, an effective internal audit function that is adequately resourced and independent of the activities it audits. The internal audit function is out-sourced to a public accounting firm, Baker Tilly Consultancy (Singapore) Pte Ltd ("**Baker Tilly Singapore**").

Baker Tilly Singapore is the member firm of the top 10 international accounting network. It is currently the outsourced internal auditor for a number of companies listed on the Singapore and Hong Kong Stock Exchanges. It has extensive experience in performing internal audits in the manufacturing, hospitality, real estate, retail, trading and non-profit sector, amongst others.

The team from Baker Tilly Singapore conducts its internal audits in line with the International Professional Practices Framework (IPPF) established by The Institute of Internal Auditors. The internal audit team is adequately staffed and comprises an Engagement Partner, Engagement Manager, Lead Consultants and a number of Consultants necessary to fulfil the engagement requirements. The engagement team is well qualified and possesses relevant professional qualifications such as Master of Business Administration, Certified Internal Auditor, Certification in Risk Management Assurance and other designations such as Chartered Accountant.

The internal auditors report primarily to the chairman of the ARC and the ARC is satisfied that the internal auditors are staffed by qualified and experienced personnel. The ARC also decides on the appointment, termination and remuneration of the internal auditors.

The internal auditors plan their internal audit schedules in consultation with the Management, but remain independent of the Management in its operations. The internal auditors have unfettered access to all the Company's documents, records, properties and personnel, including the ARC and have appropriate standing within the Company. The audit plan is submitted to the ARC for approval prior to the commencement of the internal audit. The ARC reviews the activities of the internal auditors on a regular basis, including overseeing and monitoring the implementation of improvements required with regard to internal control weaknesses that have been identified and where necessary, meets with the internal auditors (without management) to discuss the activities. The internal auditors completed one (1) review in FY 2024 in accordance with the internal audit plan approved by the ARC. The findings and recommendations of the internal auditors, Management's responses, and Management's implementation of remedial actions have been reviewed by the ARC.

The ARC also reviews and approves the audit plan from the internal auditors. The ARC is satisfied that the internal audit function is effective, adequately resourced and independent for FY 2024.

SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

Principle 11: The Company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the Company. The Company gives Shareholders a balanced and understandable assessment of its performance, position and prospects.

All shareholders are treated fairly and equitably to facilitate the exercise of their ownership rights. In line with the continuing disclosure obligations of the Company pursuant to the SGX-ST Listing Manual and the Companies Act 1967, the Board's policy is that all shareholders should be informed in a comprehensive manner and on a timely basis of all material developments that impact the Group.

The Group believes in encouraging shareholder participation at general meetings. As such, shareholders are given the opportunity to vote and participate in as well as to express their views and to raise queries to the Board and the Management regarding the proposed resolutions and on matters relating to the operations of the Group during these meetings. The Company also informs shareholders of the rules governing the general meetings. The Chairman of each of the ARC, NC, and RC are also present at the meetings to attend to questions raised by shareholders. The Company's external auditors are invited to attend the Company's AGM and will assist the Directors in addressing relevant queries relating to the conduct of the audit and the preparation and content of the external auditors' report.

CORPORATE GOVERNANCE

The attendance of the Directors of the Company at the Company's general meetings held during FY 2024 are reflected in the table below:

Name of Director	General Meetings
Number of meetings held:	1
Number of meetings attended:	
Mr Teo Ho Beng	1
Mr Teo Keng Joo, Marc	1
Mr Tan Kim Seng (1)	0
Mr Chan Kum Onn Roger	1
Ms Kwok Chui Lian	1
Mr Ong Seet Joon Amos	1

Note:

(1) Mr Tan Kim Seng was only appointed as Executive Director on 1 July 2024 and therefore did not attend any general meetings during FY 2024.

The Board considers it to be crucial that the notices of general meetings are distributed on time to the shareholders prior to such general meetings as the notices set out the agendas that will be discussed, some of which may be of interest to the shareholders. A shareholder who is entitled to attend and vote may either vote in person or *in absentia* through the appointment of one or more proxies. However, as the authentication of information purporting to identify an individual as a shareholder still remains a concern, the Company has decided, for the time being, not to accept voting *in absentia* by mail, email or fax.

The Company also ensures separate resolutions are proposed at general meetings on each substantially distinct issue unless the issues are interdependent and so linked as to form one significant proposal. Where the resolutions are "bundled", the Company will make the necessary explanations and material implications in the notice of general meeting. The Company has implemented the practice of voting by poll at its past general meetings. Votes at the forthcoming AGM and all general meetings going forward will be taken by poll so that shareholders are accorded rights proportionate to their shareholding and all votes are counted.

The Joint Company Secretaries prepare minutes of general meetings that include substantial and relevant comments or queries from shareholders relating to the agenda of the meeting and the corresponding responses from the Board and the Management. These minutes are published on the Company's corporate website as soon as practicable. Results of the general meeting are also released as an announcement via SGXNet, detailing the number of votes cast for and against each resolution as well as the respective percentages.

The Company does not have a fixed dividend policy. The form, frequency and amount of dividends will depend on the Company's earnings, general financial condition, results of operations, capital requirement, cash flow, general business conditions, development plans and other factors as the Directors may deem appropriate. In compliance with Rule 704(24) of the SGX-ST Listing Manual, in the event that the Board decides not to declare or recommend a dividend, the Company will expressly disclose the reason(s) for the decision together with the announcement of the relevant financial statements.

Notwithstanding the abovementioned, the Company has been declaring dividends on an annual basis. Any pay-outs are clearly communicated to shareholders via the financial results announcements through SGXNet. For the first half year ended 30 June 2024, the Company had on 14 August 2024 declared an interim dividend of 0.25 Singapore cent per ordinary share. The Company also intends to propose a final dividend of 0.5 Singapore cent per share for FY 2024, such final dividend to be approved by the shareholders at the forthcoming AGM of the Company.

CORPORATE GOVERNANCE

ENGAGEMENT WITH SHAREHOLDERS

Principle 12: The Company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the Company.

The Group strives for timeliness and transparency in its disclosure to shareholders and the public. In addition to the regular dissemination of information through SGXNet, the Company also responds to enquiries from investors, analysts, fund managers, and the press. The Company does not practice selective disclosure and is mindful that all price-sensitive information should be released through SGXNet on a timely basis. Where applicable, and generally at every half year following the release of the Company's half year financial results announcement, press releases on the Group's performance and/or any major developments are also made available on SGXNet.

The Company maintains a website (https://www.hiaphoe.com) which allows the public to be aware of the Group's latest development and businesses. The public can provide feedback to the Company via its electronic mail address or its registered office address. Calls and emails requesting information are generally attended to promptly, taking into consideration the fact that Management may need to consult with the Board or any of the Company's relevant advisors before communicating or disseminating certain information.

The Company's investor relations policy allows for shareholders to contact the Company at the email hiaphoe@hiaphoe.com with questions, where the Company may respond to such questions.

The Company considers advice from its corporate lawyers and professionals on appropriate disclosure requirements before announcing material information to shareholders.

The notices of general meetings setting out the agenda are despatched to shareholders while copies of the Annual Report or circular, explanatory notes, and if necessary, letters to shareholders on the items of special business, are circulated to shareholders at least 14 days before the general meetings called to pass ordinary resolutions or 21 days before general meetings called to pass special resolutions. In accordance with the Company's Constitution, the Company will be despatching physical copies of the Notice of AGM and Proxy Form to shareholders, as well as serving the Notice of AGM, Proxy Form and FY 2024 Annual Report electronically by uploading electronic copies via SGXNet and on the Company's website for shareholders viewing. Notice of the general meeting is also published in one national business newspaper, The Business Times. The Company will not be despatching printed copies of the Annual Report to shareholders.

ENGAGEMENT WITH STAKEHOLDERS

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders as part of its overall responsibility to ensure that the best interests of the Company are served.

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the Company are served. The Company has adopted a Code of Conduct, which establishes processes and actions to be take in the event of any reportable conduct and establishes the business conduct expected of all employees as well as the Company's stance to avoid conflict of interests with stakeholders.

In order to create sustainable value for stakeholders and to address sustainability challenges and opportunities which the Company may face, the Company regularly engages with various stakeholders, including employees, suppliers, customers and the regulators and shareholders to gather feedback on the concerns and expectations most important to them. The information on the Company's arrangements to identify and engage with its material stakeholder groups and to manage its relationships with such groups, and the Company's strategy and key areas of focus in relation to the management of stakeholder relationships during FY 2024 will also be set out in the Company's Sustainability Report which is published together with this Annual Report. The Company also maintains its corporate website which may be accessed by stakeholders at: https://www.hiaphoe.com/.

CORPORATE GOVERNANCE

ADDITIONAL INFORMATION

Securities Transactions

In line with Rule 1207(19) under Chapter 12 of the SGX-ST Listing Manual on Dealings in Securities, the Company has adopted an internal compliance code for the reference of its Directors and officers in relation to the dealings with the Company's securities.

Pursuant to Rule 1207(19)(c), the Company will issue Internal Notices reminding its Directors, officers and relevant staff members who have access to unpublished material price sensitive information reminding them that they are prohibited from dealing in the Company's shares during the period commencing one (1) month before the release of the Company's half year financial results and full year financial results and ending on the date of the announcement of the relevant results, and when they are in possession of unpublished material price sensitive information.

The Directors, officers, and employees of the Group are discouraged from dealing in the Company's securities on short-term considerations and are also expected to observe insider trading laws at all times even when dealing in securities within the permitted trading period.

Directors are required to report to the Joint Company Secretaries whenever they deal in the Company's shares and the Joint Company Secretaries will make the necessary announcements in accordance with the requirements of the SGX-ST.

Interested Person Transactions

Name of interested person	Nature of Relationship	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than $100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under the shareholders' mandate pursuant to Rule 920 (excluding transactions less than $100,000)
Hiap Hoe & Co. Pte. Ltd.	A subsidiary of the ultimate holding company, Hiap Hoe Holdings Pte Ltd	Provision of services for maintenance of properties to the Company's subsidiaries. (Value of transactions amounting to $105,925)	Nil
		Secondment of staff to a Company's subsidiary. (Value of transactions amounting to $157,597)	Nil
		Lease of storage space to a Company's subsidiary. (Value of transactions amounting to $42,672)	Nil

The ARC has reviewed all interested person transactions for FY 2024, and is satisfied that the transactions are conducted at arm's length and on terms that are fair and reasonable. Other than as disclosed above, there were no interested person transactions that were more than $100,000 during FY 2024. Pursuant to Rule 920 of the SGX-ST Listing Manual, there was no transaction with interested persons for FY 2024 that warrants a shareholders' mandate.

CORPORATE GOVERNANCE

Material Contracts

There were no other material contracts with the Company or its subsidiaries involving the interest of any CEO, Director or controlling shareholder subsisting at the end of FY 2024, other than disclosed in other parts of the Annual Report.

Sustainability Report

Under Practice Note 7.6 - Sustainability Reporting Guide issued by SGX-ST, the Board should determine the environmental, social and governance factors identified as material to the Group's business and ensure that they are monitored and managed. The Board has ultimate responsibility for the issuer's sustainability reporting. In this regard, the Company has established a Sustainability Committee to assist the Board in the execution of its responsibilities.

The Company has made available its full Sustainability Report for FY 2024 together with this Annual Report in accordance with Rule 711A of the Listing Manual.

CORPORATE GOVERNANCE

SUMMARY OF DISCLOSURES – CORPORATE GOVERNANCE

Rule 710 of the Listing Manual requires Singapore-listed companies to describe their corporate governance practices with specific reference to the Code in their Annual Reports for the financial years commencing on or after 1 January 2019. This summary of disclosures describes our corporate governance practices with specific reference to the disclosure requirements in the principles and provisions of the Code.

DIRECTORS' STATEMENT

For the Financial Year Ended 31 December 2024

The Directors are pleased to present their statement to the members together with the audited consolidated financial statements of Hiap Hoe Limited (the "**Company**") and its subsidiaries (collectively, the "**Group**") for the financial year ended 31 December 2024 and the balance sheet of the Company as at 31 December 2024.

In the opinion of the Directors,

(a) the consolidated financial statements of the Group and the balance sheet of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and of the financial performance, changes in equity and cash flows of the Group for the financial year ended on that date in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International); and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

DIRECTORS

The Directors of the Company in office at the date of this report are:

Teo Ho Beng
Teo Keng Joo, Marc
Tan Kim Seng (appointed on 1 July 2024)
Chan Kum Onn Roger
Ong Seet Joon Amos
Kwok Chui Lian

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The following Directors, who held office at the end of the financial year, had, according to the register of Directors' shareholdings required to be kept under Section 164 of the Companies Act 1967, an interest in the shares of the Company and related corporations (other than wholly-owned subsidiaries), as stated below:

DIRECTORS' STATEMENT

For the Financial Year Ended 31 December 2024

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES (CONT'D)

	Direct interest			Deemed interest		
Name of Director	At the beginning of financial year	At the end of financial year	At 21 January 2025	At the beginning of financial year	At the end of financial year	At 21 January 2025
The Company						
Hiap Hoe Limited						
(Ordinary shares)						
Teo Ho Beng	2,682,100	4,682,100	5,182,100	349,578,726	349,578,726	349,578,726
The immediate and ultimate holding company						
Hiap Hoe Holdings Pte Ltd						
(Ordinary shares)						
Teo Ho Beng	6,345,664	6,345,664	6,345,664	–	–	–
Subsidiary						
SuperBowl Holdings Limited						
(Ordinary shares)						
Teo Ho Beng	1,000	1,000	1,000	322,485,480	322,496,480	322,496,480

By virtue of Section 7 of the Companies Act 1967, Mr Teo Ho Beng is deemed to have interests in the shares of each of the wholly-owned subsidiaries of Hiap Hoe Limited, Hiap Hoe Holdings Pte Ltd and SuperBowl Holdings Limited.

Except as disclosed in this statement, no Director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of its related corporations, either at the beginning of the financial year, on the date of appointment as a Director during the financial year (as the case may be), or at the end of the financial year.

OTHER INFORMATION REQUIRED BY THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

Except as disclosed in Note 32 to the financial statements, no material contracts of the Company and its subsidiaries involving the interests of the Chief Executive Officer, the Directors or controlling shareholders subsisted at the end of the financial year or were entered into since the beginning of the financial year.

DIRECTORS' STATEMENT

For the Financial Year Ended 31 December 2024

AUDIT AND RISK COMMITTEE

The Audit and Risk Committee (the "**ARC**") at the end of the financial year comprises the following members:

Chan Kum Onn Roger (Chairman)
Kwok Chui Lian
Ong Seet Joon Amos

The ARC carried out its functions in accordance with Section 201B(5) of the Companies Act 1967, including the following:

- reviewed the audit plans of the internal and external auditors of the Group and the Company, reviewed the internal auditor's evaluation of the adequacy of the Company's system of internal accounting controls and the assistance given by the Group and the Company's management team (the "**Management**") to the internal and external auditors;
- reviewed the half yearly and annual financial statements and the auditor's report on the consolidated financial statements of the Group and the balance sheet of the Company before their submission to the Board of Directors;
- reviewed effectiveness of the Group's and the Company's material internal controls, including financial, operational, compliance and information technology controls, and risk management, noting the reviews carried out by the Company's internal auditors;
- met with the external auditor, other committees, and the Management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the ARC;
- reviewed legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators;
- reviewed the cost effectiveness and the independence and objectivity of the external auditor;
- reviewed the nature and extent of non-audit services provided by the external auditor;
- recommended to the Board of Directors the external auditor to be nominated, approved the compensation of the external auditor, and reviewed the scope and results of the audit;
- reviewed the assurance from the Chief Executive Officer and the Chief Financial Officer on the financial records and financial statements;
- reported actions and minutes of the ARC to the Board of Directors with such recommendations as the ARC considers appropriate;
- reviewed interested person transactions in accordance with the requirements of the Singapore Exchange Securities Trading Limited's Listing Manual; and
- reviewed and oversaw arrangements by which employees of the Group may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters and ensured that arrangements are in place for such concerns to be raised and independently investigated and for appropriate follow up actions to be taken.

DIRECTORS' STATEMENT

For the Financial Year Ended 31 December 2024

AUDIT AND RISK COMMITTEE (CONT'D)

The ARC, having reviewed all the non-audit services provided by the external auditor to the Group, is satisfied that the nature and extent of such services would not affect the independence of the external auditor. The ARC has also conducted a review of interested person transactions.

The ARC convened two (2) meetings during the year with full attendance from all members. The ARC also met with the external auditor without the presence of the Company's Management, which it does at least once a year.

Further details regarding the ARC are disclosed in the Report on Corporate Governance.

In appointing our auditors for the Company and subsidiaries, we have complied with Rules 712 and 715 of the SGX Listing Manual.

INDEPENDENT AUDITOR

Ernst & Young LLP has expressed their willingness to accept re–appointment as auditor.

On behalf of the Board of Directors

Teo Ho Beng
Director

Teo Keng Joo, Marc
Director

Singapore

11 April 2025

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF HIAP HOE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Hiap Hoe Limited (the "**Company**") and its subsidiaries (collectively, the "**Group**"), which comprise the consolidated balance sheet of the Group and the balance sheet of the Company as at 31 December 2024, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "**Act**") and Singapore Financial Reporting Standards (International) ("**SFRS(I)**") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have fulfilled our responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF HIAP HOE LIMITED

Key Audit Matters (Cont'd)

Carrying value of investment properties and properties included in property, plant and equipment

As at 31 December 2024, the Group's investment properties and properties included in property, plant and equipment amounted to $532,539,240 and $516,430,018, net of accumulated impairment loss of $9,357,801 and $Nil respectively. In aggregate, these property assets represented 66.0% of the Group's total assets. These assets are accounted using the cost model. For the purpose of assessing whether there is any indication that the asset is impaired, and recoverable amount where necessary, management considers both external and internal sources of information including the fair values appraised by the external valuers. The fair value assessment is complex and highly dependent on a range of assumptions made by the external valuers. Accordingly, we have identified this as a key audit matter.

As part of the audit, we reviewed and obtained an understanding of the Group's policies and procedures in identifying trigger events for potential impairment and material changes in the carrying value of the property assets. We evaluated the objectivity, independence and expertise of the external valuers. We also assessed the appropriateness of the valuation techniques and basis for the significant assumptions and estimates used, including key valuation adjustments made by the external valuers in response to the changes in market and economic conditions. Where management used fair value as a basis to determine recoverable amount, we evaluated the appropriateness of this basis in light of the relevant accounting standard requirements. Where applicable, we also involved our internal real estate valuation specialists to assist with the review on appropriateness of the key inputs used in the valuation process by comparing against achieved rates and yields of comparable properties. Key inputs evaluated include capitalisation rates, discount rates, terminal yield rates, and relevant market pricing benchmarks. We evaluated the adequacy of the related disclosures in the financial statements relating to the investment properties and properties included in property, plant and equipment in Note 13 and Note 12 to the financial statements.

Valuation of unquoted investments

The Group has unquoted investments which include fixed income instruments, mutual and private equity funds. These unquoted investments are measured at fair value with corresponding fair value changes recognised in profit or loss. As at 31 December 2024, these investments amounted to $234,307,331.

The fair values of unquoted investments are determined based on various valuation techniques which involved the use of assumptions and estimates determined by financial institutions managing these investments. The use of assumptions and estimates determined by the external valuers and management judgement are also involved for certain unquoted investments. Estimation uncertainty exists for the valuation as these investments are not traded in an active market and the valuation techniques involved the use of significant unobservable inputs. The valuation of the unquoted investments was considered a key audit matter given the significance of judgements and estimates involved. Further, evolving market and economic conditions have increased the risk around these judgements and estimates.

Valuation of unquoted investments (Cont'd)

As part of the audit, we obtained an understanding of management's processes in determining the valuation of unquoted investments. For unquoted investments managed by financial institutions, we obtained valuation statements issued by the respective financial institutions to compare the fair values recorded by the Group and to verify the existence and ownership of the investments. For material unquoted investments, we evaluated the reasonableness of the valuation techniques and inputs used by comparing the valuation to supporting financial information of the underlying investees such as audited financial statements and investor reports. For unquoted investments managed by the Group, we evaluated the appropriateness of the valuation techniques, inputs and assumptions used by management and external valuers. For selected unquoted investments, we involved our internal valuation specialists to assess the appropriateness of the valuation approach used by management and compared the valuation determined by management with valuation outcomes obtained based on peer companies' valuation multiples in relation to these investments. We checked the arithmetic accuracy of management's fair value computation and evaluated the adequacy of financial statement disclosures in Note 20 and Note 37 to the financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF HIAP HOE LIMITED

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF HIAP HOE LIMITED

Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Briston Loo.

Ernst & Young LLP

Public Accountants and
Chartered Accountants
Singapore

11 April 2025

CONSOLIDATED INCOME STATEMENT
For the Financial Year Ended 31 December 2024

	Note	2024 $	2023 $
Revenue	4	**125,357,442**	**111,887,305**
Other items of income			
Dividend income		**7,116,840**	7,550,701
Other income	5	**25,882,927**	19,731,481
Impairment loss on trade receivables written back	17	**59,311**	37,514
Interest income	6	**7,032,246**	4,896,023
Fair value changes in financial instruments	8	**24,257,078**	26,449,167
		64,348,402	58,664,886
Changes in completed properties for sale		**(765,046)**	(245,741)
Employee benefits expense	7	**(34,528,188)**	(32,626,829)
Depreciation of property, plant and equipment	12	**(22,780,085)**	(24,231,833)
Depreciation of investment properties	13	**(9,387,523)**	(9,433,705)
Finance costs	6	**(38,543,495)**	(37,301,454)
Foreign exchange loss		**(6,555,330)**	(2,575,704)
Impairment loss on trade receivables	17	**(10,577)**	(31,069)
Other expenses	9	**(59,934,928)**	(58,026,241)
Profit before tax		**17,200,672**	6,079,615
Income tax expense	10	**(10,640,123)**	(564,003)
Profit for the year		**6,560,549**	5,515,612
Attributable to:			
Owners of the Company		**6,568,980**	5,558,842
Non-controlling interests		**(8,431)**	(43,230)
Total		**6,560,549**	5,515,612
Earnings per share attributable to owners of the Company (cents per share)			
Basic	11	**1.40**	1.18
Diluted	11	**1.40**	1.18

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Financial Year Ended 31 December 2024

	2024 $	2023 $
Profit for the year	**6,560,549**	5,515,612
Other comprehensive loss item that may be reclassified subsequently to income statement		
- Foreign currency translation	**(7,663,684)**	(1,437,053)
Other comprehensive loss for the year, net of tax of nil	**(7,663,684)**	(1,437,053)
Total comprehensive (loss)/income for the year	**(1,103,135)**	4,078,559
Attributable to:		
Owners of the Company	**(1,094,704)**	4,121,789
Non-controlling interests	**(8,431)**	(43,230)
Total comprehensive (loss)/income for the year	**(1,103,135)**	4,078,559

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

BALANCE SHEETS

As at 31 December 2024

		Group		Company	
		2024	2023	**2024**	2023
	Note	**$**	$	**$**	$
Non-current assets					
Property, plant and equipment	12	**559,822,729**	546,627,198	**–**	–
Investment properties	13	**532,539,240**	553,018,650	**–**	–
Subsidiaries	14	**–**	–	**622,601,021**	617,341,021
Joint venture	15	**–**	–	**5,154,947**	19,718,111
Other assets	16	**–**	3,606,400	**–**	–
Other receivables	17	**3,095,029**	2,689,586	**–**	–
Lease incentives	17	**8,568,710**	10,057,954	**–**	–
Deferred tax assets	19	**5,807,789**	13,431,582	**–**	–
		1,109,833,497	1,129,431,370	**627,755,968**	637,059,132
Current assets					
Other investments	20	**398,318,158**	341,902,855	**–**	–
Inventories	21	**1,651,446**	2,280,326	**–**	–
Other assets	16	**398,886**	350,640	**–**	–
Trade and other receivables	17	**6,465,686**	7,169,966	**–**	–
Lease incentives	17	**1,357,830**	1,356,129	**–**	–
Prepaid operating expenses		**1,552,509**	2,005,720	**147**	2,831
Due from subsidiaries, trade	18	**–**	–	**769,778**	730,695
Due from subsidiaries, non-trade	18	**–**	–	**21,106,594**	19,755,020
Due from a related company, trade	18	**–**	904	**–**	–
Derivatives – assets	22	**300**	161,018	**–**	–
Completed properties for sale	23	**742,416**	1,574,763	**–**	–
Cash and short-term deposits	24	**69,846,265**	41,777,400	**385,913**	962,180
		480,333,496	398,579,721	**22,262,432**	21,450,726
Asset held-for-sale	25	**–**	61,240,876	**–**	–
		480,333,496	459,820,597	**22,262,432**	21,450,726

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

BALANCE SHEETS
As at 31 December 2024

		Group		Company	
		2024	2023	**2024**	2023
	Note	**$**	$	**$**	$
Current liabilities					
Trade and other payables	26	**7,888,056**	8,595,803	**62,716**	101,140
Derivatives – liabilities	22	**11,899**	60,686	**–**	–
Due to a subsidiary, trade	18	**–**	–	**–**	49,366
Due to subsidiaries, non-trade	18	**–**	–	**132,631,431**	136,162,583
Due to a related company, trade	18	**7,630**	67,786	**–**	–
Due to a related company, non-trade	18	**26,040**	25,648	**–**	–
Interest-bearing loans and borrowings	27	**174,047,808**	281,988,003	**–**	–
Tax payable		**7,876,557**	2,413,966	**64,000**	317,770
Other liabilities	28	**12,707,743**	14,172,817	**896,497**	979,853
		202,565,733	307,324,709	**133,654,644**	137,610,712
Non-current liabilities					
Interest-bearing loans and borrowings	27	**594,255,118**	477,158,725	**–**	–
Deferred tax liabilities	19	**68,004,804**	73,828,924	**–**	–
Other liabilities	28	**7,110,578**	8,068,826	**–**	–
		669,370,500	559,056,475	**–**	–
Net assets		**718,230,760**	722,870,783	**516,363,756**	520,899,146
Equity attributable to owners of the Company					
Share capital	29	**84,445,256**	84,445,256	**84,445,256**	84,445,256
Treasury shares	30	**(1,101,125)**	(1,101,125)	**(1,101,125)**	(1,101,125)
Reserves	31	**631,776,221**	636,400,113	**433,019,625**	437,555,015
		715,120,352	719,744,244	**516,363,756**	520,899,146
Non-controlling interests		**3,110,408**	3,126,539	**–**	–
Total equity		**718,230,760**	722,870,783	**516,363,756**	520,899,146

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Financial Year Ended 31 December 2024

Group	Share capital (Note 29) $	Treasury shares (Note 30) $	Accumulated profits $	Capital reserve $	Foreign currency translation reserve $	Gain on reissuance of treasury shares $	Total reserves (Note 31) $	Total equity attributable to equity holders of the Company $	Non-controlling interests $	Total equity $
At 1 January 2024	**84,445,256**	**(1,101,125)**	**674,604,598**	**(7,671,719)**	**(30,584,656)**	**51,890**	**636,400,113**	**719,744,244**	**3,126,539**	**722,870,783**
Profit/(loss) for the year	**–**	**–**	**6,568,980**	**–**	**–**	**–**	**6,568,980**	**6,568,980**	**(8,431)**	**6,560,549**
Foreign currency translation	**–**	**–**	**–**	**–**	**(7,663,684)**	**–**	**(7,663,684)**	**(7,663,684)**	**–**	**(7,663,684)**
Other comprehensive loss net of tax of nil	**–**	**–**	**–**	**–**	**(7,663,684)**	**–**	**(7,663,684)**	**(7,663,684)**	**–**	**(7,663,684)**
Total comprehensive income/(loss) for the year	**–**	**–**	**6,568,980**	**–**	**(7,663,684)**	**–**	**(1,094,704)**	**(1,094,704)**	**(8,431)**	**(1,103,135)**
<u>Contributions by and distributions to owners</u>										
Dividends on ordinary shares (Note 35)	**–**	**–**	**(3,529,188)**	**–**	**–**	**–**	**(3,529,188)**	**(3,529,188)**	**–**	**(3,529,188)**
Acquisition of non-controlling interests	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(7,700)**	**(7,700)**
Total contributions by and distributions to owners	**–**	**–**	**(3,529,188)**	**–**	**–**	**–**	**(3,529,188)**	**(3,529,188)**	**(7,700)**	**(3,536,888)**
At 31 December 2024	**84,445,256**	**(1,101,125)**	**677,644,390**	**(7,671,719)**	**(38,248,340)**	**51,890**	**631,776,221**	**715,120,352**	**3,110,408**	**718,230,760**

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Financial Year Ended 31 December 2024

Group	Share capital (Note 29)	Treasury shares (Note 30)	Accumulated profits	Capital reserve	Foreign currency translation reserve	Gain on reissuance of treasury shares	Total reserves (Note 31)	Total equity attributable to equity holders of the Company	Non-controlling interests	Total equity
	$	$	$	$	$	$	$	$	$	$
At 1 January 2023	**84,445,256**	**(1,101,125)**	**671,869,106**	**(7,671,719)**	**(29,147,603)**	**51,890**	**635,101,674**	**718,445,805**	**3,185,169**	**721,630,974**
Profit/(loss) for the year	–	–	5,558,842	–	–	–	5,558,842	5,558,842	(43,230)	5,515,612
Foreign currency translation	–	–	–	–	(1,437,053)	–	(1,437,053)	(1,437,053)	–	(1,437,053)
Other comprehensive loss net of tax of nil	–	–	–	–	(1,437,053)	–	(1,437,053)	(1,437,053)	–	(1,437,053)
Total comprehensive income/(loss) for the year	–	–	5,558,842	–	(1,437,053)	–	4,121,789	4,121,789	(43,230)	4,078,559
<u>Contributions by and distributions to owners</u>										
Dividends on ordinary shares (Note 35)	–	–	(2,823,350)	–	–	–	(2,823,350)	(2,823,350)	–	(2,823,350)
Acquisition of non-controlling interests	–	–	–	–	–	–	–	–	(15,400)	(15,400)
Total contributions by and distributions to owners	–	–	(2,823,350)	–	–	–	(2,823,350)	(2,823,350)	(15,400)	(2,838,750)
At 31 December 2023	84,445,256	(1,101,125)	674,604,598	(7,671,719)	(30,584,656)	51,890	636,400,113	719,744,244	3,126,539	722,870,783

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the Financial Year Ended 31 December 2024

	Note	2024 $	2023 $
Operating activities			
Profit before tax		**17,200,672**	6,079,615
Adjustments for:			
Impairment loss on trade receivables	17	**10,577**	31,069
Impairment loss on trade receivables written back	17	**(59,311)**	(37,514)
Amortisation of deferred income	5	**(214,845)**	(115,956)
Amortisation of lease incentives		**1,361,911**	1,325,821
Depreciation of investment properties	13	**9,387,523**	9,433,705
Depreciation of property, plant and equipment	12	**22,780,085**	24,231,833
Dividend income from investments		**(7,116,840)**	(7,550,701)
Fair value changes in other investments	8	**(24,555,150)**	(26,415,682)
Fair value changes in derivative instruments	8	**298,072**	(33,485)
Loss on disposal of other investments	9	**377,390**	239,152
Gain on disposal of property, plant and equipment/asset held-for-sale	5	**(18,173,105)**	–
Gain on disposal of investment properties	5	**–**	(13,245,075)
Impairment loss on investment property	9	**4,079,775**	1,195,420
Finance costs	6	**38,543,495**	37,301,454
Interest income	6	**(7,032,246)**	(4,896,023)
Property, plant and equipment written off	9	**9,456**	27,720
Inventory written off	9	**–**	2,020,186
Exchange difference		**5,719,668**	1,770,699
Operating cash flows before changes in working capital		**42,617,127**	31,362,238
<u>Changes in working capital</u>			
(Increase)/decrease in:			
Due from a related company, trade		**904**	(904)
Inventories		**622,803**	(1,517,087)
Other assets		**(46,880)**	(67,973)
Payment of upfront lease incentives		**(561,043)**	–
Prepaid operating expenses		**403,199**	(270,573)
Completed properties for sale		**765,046**	245,741
Trade and other receivables		**274,592**	154,130
Increase/(decrease) in:			
Due to a related company, trade		**(60,156)**	67,786
Due to a related company, non-trade		**392**	17,340
Other liabilities		**(2,118,657)**	4,079,616
Trade and other payables		**(477,129)**	(300,929)
Cash flows generated from operations		**41,420,198**	33,769,385
Income tax paid		**(3,723,873)**	(3,472,265)
Net cash flows generated from operating activities		**37,696,325**	30,297,120

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Financial Year Ended 31 December 2024

	Note	2024 $	2023 $
Investing activities			
Dividend income received and return of capital		**7,168,412**	7,660,852
Deposit paid on acquisition of capital assets		**–**	(3,534,800)
Interest income received and settlement of derivatives		**6,546,875**	4,343,321
Additions to property, plant and equipment	A(i)	**(34,759,742)**	(21,172,561)
Proceeds from disposal of other investments		**17,895,592**	27,849,390
Proceeds from disposal of investment properties		**–**	20,058,000
Proceeds from disposal of property, plant and equipment/asset held-for-sale	A(ii)	**77,945,654**	–
Purchase of other investments		**(50,184,707)**	(46,517,928)
Net cash flows generated from/(used in) investing activities		**24,612,084**	(11,313,726)
Financing activities			
Acquisition of non-controlling interests		**(7,700)**	(15,400)
Dividends paid on ordinary shares by the Company		**(3,529,188)**	(2,823,350)
Interest paid	B	**(30,729,849)**	(30,589,561)
Changes in cash and bank balances pledged		**1,406,767**	1,691,985
Changes in fixed deposits pledged		**(19,438,930)**	(376,678)
Proceeds from loans and borrowings	B	**191,698,587**	272,350,308
Repayment of loans and borrowings	B	**(186,248,244)**	(262,265,318)
Repayment of principal portion of lease liabilities	B	**(3,709,898)**	(3,520,332)
Net cash flows used in financing activities		**(50,558,455)**	(25,548,346)
Net increase/(decrease) in cash and cash equivalents		**11,749,954**	(6,564,952)
Effect of exchange rate changes on cash and cash equivalents		**(464,302)**	(143,079)
Cash and cash equivalents at beginning of year		**12,177,807**	18,885,838
Cash and cash equivalents at end of year (Note 24)		**23,463,459**	12,177,807

A. (i) Additions to property, plant and equipment

During the year, the Group added property, plant and equipment of $38,535,584 (2023: $24,134,352) which included non-cash additions to right-of-use assets of $169,442 (2023: $301,985). Included in the additions was the acquisition of Great Eastern Motor Lodge ("**GEML**") of S$36,947,000 (A$42,051,000). The Group had transferred from other assets relating to a deposit paid in prior year for GEML of $3,606,400 (A$4,000,000) and the balance of $34,759,742 was made in cash. In 2023, there were unpaid purchases of $2,659,806 and the balance of $21,172,561 was made in cash.

(ii) Proceeds from disposal of property, plant and equipment/asset held-for-sale

Included in the year was the net proceeds from the disposal of the hotel at Four Points by Sheraton, Melbourne Docklands of $77,935,351 (A$88,543,000).

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Financial Year Ended 31 December 2024

B. Reconciliation of liabilities arising from financing activities

			Non-cash changes			
	1 January 2024 $	Cash flows $	Interest expense $	Foreign exchange movement $	New leases $	31 December 2024 $
Lease liabilities	**28,955,713**	**(4,872,310)**	**1,162,412**	**(3,525)**	**169,442**	**25,411,732**
Loans and borrowings	**730,191,015**	**(24,117,094)**	**37,381,083**	**(563,810)**	**–**	**742,891,194**
	759,146,728	**(28,989,404)**	**38,543,495**	**(567,335)**	**169,442**	**768,302,926**

			Non-cash changes			
	1 January 2023 $	Cash flows $	Interest expense $	Foreign exchange movement $	New leases $	31 December 2023 $
Lease liabilities	32,174,060	(4,820,813)	1,300,481	–	301,985	28,955,713
Loans and borrowings	711,585,779	(19,204,090)	36,000,973	1,808,353	–	730,191,015
	743,759,839	(24,024,903)	37,301,454	1,808,353	301,985	759,146,728

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Notes to the Financial Statements

For the financial year ended 31 December 2024

1. CORPORATE INFORMATION

Hiap Hoe Limited (the "Company") is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited (SGX-ST) Mainboard.

The registered office and principal place of business of the Company is located at 18 Ah Hood Road #13-51, Hiap Hoe Building At Zhongshan Park, Singapore 329983.

The principal activities of the Company are those of investment holding and provision of management services. The principal activities of the subsidiaries are disclosed in Note 14 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

Its immediate and ultimate holding company is Hiap Hoe Holdings Pte Ltd, a company incorporated in Singapore. Related companies refer to members of the immediate and ultimate holding company's group of companies.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

The consolidated financial statements of the Group and the balance sheet of the Company have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)").

The financial statements have been prepared on the historical cost basis, except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars (SGD or $) unless otherwise stated.

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new SFRS(I) and Amendments to SFRS(I) that are effective for annual periods beginning on or after 1 January 2024. The adoption of these standards did not have any effect on the financial performance of the Group or financial position of the Group and the Company.

2.3 Standards issued but not yet effective

The Group has not adopted the following standards applicable to the Group that have been issued but are not yet effective:

Description		**Effective for annual periods beginning on or after**
Various	Annual Improvements to SFRS(I) – Volume 11	1 January 2026
SFRS(I) 9, SFRS(I) 7	Amendments to SFRS(I) 9 and SFRS(I) 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
SFRS(I) 18	Presentation and Disclosure in Financial Statements	1 January 2027

The Group has performed a preliminary assessment and the directors expect that the adoption of the standards above will have no material impact on the financial statements in the period of initial application except for the changes as described below.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.3 Standards issued but not yet effective (Cont'd)

SFRS(I) 18 Presentation and Disclosure in Financial Statements

SFRS(I) 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes.

In addition, narrow-scope amendments have been made to SFRS(I) 1-7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

SFRS(I) 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. SFRS(I) 18 will apply retrospectively.

2.4 Basis of consolidation and business combinations

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- de-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- de-recognises the carrying amount of any non-controlling interest;
- de-recognises the cumulative translation differences recorded in equity;
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any surplus or deficit in profit or loss;

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.4 Basis of consolidation and business combinations (Cont'd)

(a) Basis of consolidation

- re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

(b) Business combinations

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration are deemed to be an asset or liability which will be recognised in profit or loss.

In business combinations achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Non-controlling interests in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets, are recognised on the acquisition date either at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. The measurement basis taken is elected on a transaction-by-transaction basis. All other non-controlling interests are measured at acquisition date fair value, unless another measurement basis is required by SFRS(I)s.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

2.5 Transactions with non-controlling interests

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company, and are represented separately in the consolidated statement of comprehensive income and within equity in the consolidated balance sheet, separately from equity attributable to owners of the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.6 Foreign currency

The financial statements are presented in SGD, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(a) Transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of reporting period are recognised in profit or loss. However, in the consolidated financial statements, exchange differences arising on monetary items that form part of the Group's net investment in foreign operations are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

(b) Consolidated financial statements

For consolidation, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income and accumulated in the foreign currency translation reserve. On disposal of a foreign operation, the component of foreign currency translation reserve relating to that particular foreign operation is recognised in profit or loss.

In the case of a partial disposal without loss of control of a subsidiary that includes a foreign operation, the proportionate share of the cumulative amount of the exchange differences are re-attributed to non-controlling interest and are not recognised in profit or loss. For partial disposals of associates or jointly controlled entities that are foreign operations, the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.7 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to initial recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost includes the cost of replacing part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The accounting policy for borrowing costs is set out in Note 2.19. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is computed on a straight-line basis to allocate the depreciable amount over the estimated useful lives (or lease term, if shorter). Leased assets are depreciated over the shorter of the lease terms and their useful lives unless it is reasonably certain that the Group will obtain ownership by end of the lease term.

The estimated useful lives of property, plant and equipment are as follows:

Freehold properties	- 50 years
Leasehold land and properties	- over remaining period of lease (subject to a maximum of 50 years)
Motor vehicles	- 5 to 10 years
Furniture, fittings and office equipment	- 1 to 20 years
Plant and machinery	- 3 to 15 years
Leased premises	- over remaining period of lease

Freehold land has an unlimited useful life and therefore is not depreciated.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful lives and depreciation methods are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in profit or loss in the year the asset is derecognised.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.8 Investment properties

Investment properties are properties that are held to earn rentals or for capital appreciation, or both, rather than for use in the production or supply of goods or services, or for administrative purposes, or for sale in the ordinary course of business. Investment properties comprise completed investment properties and properties that are being constructed or developed for future use as investment properties. Right-of-use assets are classified as investment properties when the definition of an investment property is met.

Plant and machinery included under investment properties are initially measured at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated on plant and machinery using a straight-line method to allocate the depreciable amounts over the estimated useful lives ranging from 3 to 15 years.

Investment properties are initially measured at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses, similar to the policy for property, plant and equipment. Depreciation is calculated using a straight-line method to allocate the depreciable amounts over the estimated remaining useful lives of a maximum of 50 years for freehold properties, and the remaining period of lease or a maximum of 50 years, whichever is lower for leasehold properties. The residual values, useful lives and depreciation method of investment properties are reviewed, and adjusted as appropriate, at end of each reporting period. The effects of any revision are included in profit or loss when the changes arise.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use. As the Group uses the cost model, transfers between investment property, owner-occupied property and inventories do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.9 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

Impairment losses of continuing operations are recognised in profit or loss in those expense categories consistent with the function of the impaired asset, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase in other comprehensive income.

2.10 Subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's balance sheet, investments in subsidiaries are accounted for at cost less any impairment losses.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.11 Joint venture

Joint venture relates to entity which the Company has joint control as a result of contractual arrangements, and rights to the net assets of the entity.

The Company accounts for its investments in the joint venture using the equity method from the date on which it becomes a joint venture.

On acquisition of the investment, any excess of the cost of the investment over the Company's share of the net fair value of the investee's identifiable assets and liabilities represents goodwill and is included in the carrying amount of the investment. Any excess of the Company's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the joint venture's profit or loss in the period in which the investment is acquired.

Under the equity method, the investment in joint venture is carried in the balance sheet at cost plus post-acquisition changes in the Company's share of net assets of the joint venture. The profit or loss reflects the share of results of the operations of the joint venture. Distributions received from the joint venture reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the joint venture, the Company recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Company and the joint venture are eliminated to the extent of the interest in the joint venture.

When the Company's share of losses in the joint venture equals or exceeds its interest in the joint venture, the Company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

After application of the equity method, the Company determines whether it is necessary to recognise an additional impairment loss on the investment in joint venture. The Company determines at the end of each reporting period whether there is any objective evidence that the investment in the joint venture is impaired. If this is the case, the Company calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value and recognises the amount in profit or loss.

At the Group level, the interest in joint venture is reversed and consolidated as a subsidiary, as disclosed in Note 14.

The financial statements of the joint venture are prepared as the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.12 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes party to the contractual provisions of the instruments.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The measurement categories for classification of debt instruments are:

(i) Amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

(ii) Fair value through other comprehensive income (FVOCI)

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Financial assets measured at FVOCI are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses and interest calculated using the effective interest method which are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is de-recognised.

Notes to the Financial Statements

For the financial year ended 31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.12 Financial instruments (Cont'd)

(a) Financial assets (Cont'd)

Subsequent measurement (Cont'd)

Investments in debt instruments (Cont'd)

(iii) Fair value through profit or loss (FVPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on debt instruments that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss in the period in which it arises.

Investments in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. Dividends from such investments are to be recognised in profit or loss when the Group's right to receive payments is established. Amount presented in OCI shall not be subsequently transferred to profit or loss. However, the entity may transfer the cumulative gain or loss within equity. For investments in equity instruments which the Group has not elected to present subsequent changes in fair value in OCI, changes in fair value are recognised in profit or loss.

Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. Changes in fair value of derivatives are recognised in profit or loss.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.12 Financial instruments (Cont'd)

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. Financial liabilities are classified as held-for-trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships. Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial liabilities are recognised in profit or loss.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

(c) Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Notes to the Financial Statements
For the financial year ended 31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.13 Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.14 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and demand deposits. These also include bank overdrafts that form an integral part of the Group's cash management.

2.15 Completed properties for sale

Completed properties for sale are properties acquired or being constructed for sale in the ordinary course of business, rather than to be held for the Group's own use, rental or capital appreciation.

Completed properties for sale are held as inventories and are measured at the lower of cost and net realisable value.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.15 Completed properties for sale (Cont'd)

The costs of completed properties for sale include:

- Freehold rights for land;
- Amounts paid to contractors for construction; and
- Borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs.

Non-refundable commissions paid to sales or marketing agents on the sale of real estate units are expensed when incurred.

Net realisable value of completed properties for sale is the estimated selling price in the ordinary course of the business, based on market prices at the end of the reporting period and discounted for the time value of money if material, less the estimated costs of completion and the estimated costs necessary to make the sale.

The costs of completed properties for sale recognised in profit or loss on disposal are determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

2.16 Inventories

Inventories, comprising consumables which include smart cards, spare parts and hotel supplies, are stated at the lower of cost and net realisable value. Cost is determined on a first-in first-out basis and includes all costs in bringing the inventories to their present location and condition. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale.

2.17 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.18 Financial guarantee

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantees are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, financial guarantees are measured at the higher of the amount of expected credit loss determined in accordance with the policy set out in Note 2.13 and the amount initially recognised less, where appropriate, the cumulative amount of income recognised over the period of the guarantee.

2.19 Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition and construction of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are being incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.20 Employee benefits

(a) Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the companies in the Group make contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to the defined contribution pension scheme are recognised as an expense in the period in which the related service is performed.

(b) Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. The estimated liability for leave is recognised for services rendered by employees up to the end of the reporting period.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.21 Leases

(a) As lessee

The Group assesses whether a contract is or contains a lease at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of twelve months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Right-of-use asset

The right-of-use asset comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Depreciation on right-of-use assets is calculated using the straight-line method to allocate their depreciable amounts over the shorter period of lease term and useful life of the underlying asset as set of in Note 2.7.

If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets (except for those which meets the definition of an investment property) are presented within Property, plant and equipment in the balance sheet [Note 12(i)].

The Group applies SFRS(I) 1-36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.21 Leases (Cont'd)

(a) As lessee (Cont'd)

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee. The incremental borrowing rate is defined as the rate of interest that the lessee would have to pay to borrow over a similar term and with a similar security the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The Group has elected to not recognised right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases, except for sublease arrangements. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group shall recognise those lease payments in profit or loss in the periods that trigger those lease payments.

For all contracts that contain both lease and non-lease components, the Group has elected to not separate lease and non-lease components and account these as one single lease component.

The lease liabilities are presented within interest-bearing loans and borrowings in the balance sheet.

The lease liability is subsequently measured at amortised cost, by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.21 Leases (Cont'd)

(a) As lessee (Cont'd)

Lease liabilities (Cont'd)

The Group remeasures the lease liability (with a corresponding adjustment to the related right-of-use asset or to profit or loss if the carrying amount of the right-of-use asset has already been reduced to nil) whenever:

(i) the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;

(ii) the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or

(iii) a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

(b) As lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Group recognises lease payments received from investment property under operating leases as income on a straight-line basis over the lease term within "revenue" in profit or loss.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.21 Leases (Cont'd)

(b) As lessor (Cont'd)

Intermediate lessor in sublease

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the recognition exemption, then it classifies the sublease as an operating lease.

When the sublease is assessed as a finance lease, the Group derecognises the right-of-use asset relating to the head lease that it transfers to the sublessee and recognised the net investment in the sublease within "finance lease receivables" in the balance sheet. Any differences between the right-of-use asset derecognised and the net investment in sublease is recognised in profit or loss. Lease liability relating to the head lease is retained in the balance sheet, which represents the lease payments owed to the head lessor.

2.22 Revenue

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(a) Sale of completed development properties

Revenue from completed development properties are recognised at a point in time when the control of the properties has been transferred to buyers.

(b) Dividend income

Dividend income is recognised when the Group's right to receive payment is established.

(c) Rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.22 Revenue (Cont'd)

(d) Interest income

Interest income is recognised using the effective interest method.

(e) Hotel income

Revenue from operations of a hotel is recognised from the following major sources: hotel stay and sales of food and beverages.

Revenue from hotel stays are recognised over time as performance obligations are satisfied. Progress towards satisfaction of these performance obligations is measured based on the proportion of the total duration of stay that has elapsed at the end of the reporting period.

Revenue from sales of food and beverages are recognised when control of goods has transferred, being at the point in time when the food and beverages are delivered, at which point the Group is entitled to payment.

(f) Leisure income

Revenue from leisure activities is recognised when services are provided or goods consumed.

(g) Management fee and other operating income

Management fee and other operating income are recognised on an accrual basis.

2.23 Taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period in countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.23 Taxes (Cont'd)

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint venture, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint venture, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.23 Taxes (Cont'd)

(b) Deferred tax (Cont'd)

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(c) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of taxes except:

- Where the taxes incurred on a purchase of assets or services are not recoverable from the taxation authorities, in which case the taxes are recognised as part of the cost of acquisition of the assets or as part of the expenses item as applicable; and

- Receivables and payables that are stated with the amount of taxes included.

The net amount of taxes recoverable from or payable to the taxation authorities are included as part of receivables or payables in the balance sheet.

2.24 Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 39, including the factors used to identify the reportable segments and the measurement basis of segment information.

2.25 Share capital and share issue expenses

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.26 Treasury shares

The Group's own equity instruments which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount of treasury shares and the consideration received, if reissued, is recognised directly in equity. Voting rights related to treasury shares are nullified and no dividends are allocated to them respectively.

2.27 Contingencies

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because:

   (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

   (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

2.28 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

2.29 Asset held-for-sale

The Group classifies investment properties and property, plant and equipment as held for sale if their carrying amounts will be recovered principally through sale rather than through continuing use. For this to be the case, the property must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such property and its sale must be highly probable.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.29 Asset held-for-sale (Cont'd)

For the sale to be highly probable, the following criteria must be met:

- The board must be committed to a plan to sell the property and an active programme to locate a buyer and complete the plan must have been initiated;
- The property must be actively marketed for sale at a price that is reasonable in relation to its current fair value; and
- The sale should be expected to qualify for recognition as a completed sale within one year from the date of classification.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgements made in applying accounting policies

In the process of applying the Group's accounting policies, management has made the following judgement, apart from those involving estimations, which has the most significant effect on the amounts recognised in the consolidated financial statements:

(i) Investment in A2I Holdings S.A.R.L. ("A2I")

Included in unquoted investments is investment in A2I Holdings S.A.R.L ("A2I") which relates to the investment in AccorInvest Group, which owns or leases hotels mainly operated by the Accor Group. The Group holds 20.71% (2023: 20.71%) interest in A2I and its carrying value as at 31 December 2024 was $99,544,800 (2023: $83,501,488). A2I is a limited liability investment holding company which is incorporated and domiciled in Luxembourg.

Management has determined that the investment in A2I is passive and the Group has no significant influence in the said investee notwithstanding its 20.71% interest in the investment. The Group has accounted for A2I as investments measured at fair value through profit or loss [Note 20(iii)] and has classified the investment under level 3 of the fair value hierarchy [Note 37(c)].

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Notes to the Financial Statements

For the financial year ended 31 December 2024

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONT'D)

3.2 Key sources of estimation uncertainty (Cont'd)

(i) Impairment of non-financial assets

Investment properties

The Group carries its investment properties at cost less accumulated depreciation and accumulated impairment, with excess of carrying value over recoverable amount being recognised as impairment in profit or loss.

In determining the recoverable amount, the Group considers both external and internal sources of information, including the fair value apprised by external valuers, in assessing whether the properties may have been impaired. The fair value assessment is complex and highly dependent on a range of assumptions such as discount rate, capitalisation rate, terminal yield and growth rate made by the valuers.

The carrying amounts of the investment properties as at 31 December 2024 is $532,539,240 (2023: $553,018,650). As at 31 December 2024, the fair value of the investment properties is $830,846,080 (2023: $828,757,160).

Property, plant and equipment

The Group carries its property, plant and equipment at cost less accumulated depreciation and accumulated impairment. Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. This requires estimates to be made including future revenues, operating costs, growth rates, capital expenditures and discount rates applicable to the cash flows.

The carrying amounts of property, plant and equipment as at 31 December 2024 is $559,822,729 (2023: $546,627,198).

(ii) Valuation of unquoted investments

The Group has unquoted investments which include fixed income instruments, mutual and private equity funds. The fair values of unquoted investments are determined based on various valuation techniques which involve the use of assumptions and estimates determined by financial institutions managing these investments. The use of assumptions and estimates determined by the external valuers and management judgement are also involved for certain unquoted investments. Estimation uncertainty exists for the valuation as these investments are not traded in an active market and the valuation techniques involve the use of significant unobservable inputs.

The carrying amounts of the unquoted investment as at 31 December 2024 are $234,307,331 (2023: $195,441,609). If the price of the unquoted investments had been 2% higher/lower with all other variables held constant, the Group's profit net of tax would have been approximately $4,457,000 (2023: $3,713,000) higher/lower, arising as a result of higher/lower fair value gains on unquoted investments.

Notes to the Financial Statements
For the financial year ended 31 December 2024

4. REVENUE

The Group derives its revenue from the transfer of goods and services over time and at a point in time for the following major products lines. This is consistent with the revenue information that is disclosed for each reportable segment under SFRS(I) 8 (Note 39).

Disaggregation of revenue

A disaggregation of the Group's revenue for the year is as follows:

Group	Development properties $	Rental and carpark income $	Leisure business $	Hotel income $	Total revenue $
2024					
Major product or service lines					
Residential properties	**1,020,824**	**478,837**	**–**	**–**	**1,499,661**
Commercial and industrial properties	**–**	**28,810,020**	**–**	**–**	**28,810,020**
Hotel operations and related income	**–**	**–**	**–**	**83,976,369**	**83,976,369**
Owner and operators of bowling centres and recreation centres	**–**	**–**	**11,071,392**	**–**	**11,071,392**
	1,020,824	**29,288,857**	**11,071,392**	**83,976,369**	**125,357,442**
Timing of transfer of goods or services (excluding lease rental income*) from contracts with customers					
At a point in time	**1,020,824**	**1,027,373**	**10,973,167**	**18,145,448**	**31,166,812**
Over time	**–**	**1,310,130**	**98,225**	**65,830,921**	**67,239,276**
	1,020,824	**2,337,503**	**11,071,392**	**83,976,369**	**98,406,088**

Group	Development properties $	Rental and carpark income $	Leisure business $	Hotel income $	Total revenue $
2023					
Major product or service lines					
Residential properties	328,139	547,542	–	–	875,681
Commercial and industrial properties	–	28,393,730	–	–	28,393,730
Hotel operations and related income	–	–	–	71,400,276	71,400,276
Owner and operators of bowling centres and recreation centres	–	–	11,217,618	–	11,217,618
	328,139	28,941,272	11,217,618	71,400,276	111,887,305
Timing of transfer of goods or services (excluding lease rental income*) from contracts with customers					
At a point in time	328,139	943,267	11,151,538	17,190,757	29,613,701
Over time	–	1,360,977	66,080	54,209,519	55,636,576
	328,139	2,304,244	11,217,618	71,400,276	85,250,277

Revenue represents the fair value of goods and services supplied. The Group's revenue from sale of completed development properties is recognised based on the completion method. There are no performance obligations that are unsatisfied (or partially unsatisfied) as at the end of the reporting period.

* Excluding rental income from lease of properties which is out of scope of SFRS(I) 15 Revenue from Contracts with Customers.

Notes to the Financial Statements
For the financial year ended 31 December 2024

5. OTHER INCOME

Group	2024 $	2023 $
Amortisation of deferred income (Note 28)	**214,845**	115,956
Defects claims received	**851,485**	–
Gain on disposal of investment properties (Note 25)	**–**	13,245,075
Gain on disposal of property, plant and equipment/asset held-for-sale (Note 25)	**18,173,105**	–
Government grants [1]	**440,434**	448,539
Miscellaneous income	**171,179**	169,433
Property recovery income	**6,031,879**	5,752,478
	25,882,927	19,731,481

[1] Government grants relate mainly to various employment schemes.

6. INTEREST INCOME/(FINANCE COSTS)

Group	2024 $	2023 $
Interest income		
- fixed deposits	**2,091,386**	1,294,228
- other investments	**4,666,793**	3,433,055
- others	**274,067**	168,740
	7,032,246	4,896,023
Finance costs		
- interest on bank loans	**(37,381,083)**	(36,000,973)
- interest on lease liabilities	**(1,162,412)**	(1,300,481)
	(38,543,495)	(37,301,454)

7. EMPLOYEE BENEFITS EXPENSE

Group	2024 $	2023 $
Wages, salaries and bonuses	**28,710,915**	27,111,542
Central Provident Fund contributions	**2,127,440**	1,975,457
Other staff costs	**3,264,421**	3,176,890
Casual labour	**425,412**	362,940
	34,528,188	32,626,829

Employee benefits include compensation of key management personnel as disclosed in Note 32(b).

Notes to the Financial Statements
For the financial year ended 31 December 2024

8. FAIR VALUE CHANGES IN FINANCIAL INSTRUMENTS

Group	2024 $	2023 $
Fair value changes in derivative instruments (Note 22)	**(298,072)**	33,485
Fair value changes in other investments [Note 20(vi)]	**24,555,150**	26,415,682
	24,257,078	26,449,167

9. OTHER EXPENSES

Group	2024 $	2023 $
Audit fees paid to the		
- auditor of the Company	**414,571**	419,923
- other auditors	**50,136**	48,538
Non-audit fees paid to the		
- auditor of the Company	**78,831**	68,386
- other auditors	**16,253**	15,457
Bad debt – trade	**–**	27,334
Bank charges	**23,458**	38,313
Directors’ fees	**145,000**	160,000
Hotel consumables	**4,739,836**	4,951,161
Hotel management fees	**2,839,182**	3,049,795
Impairment loss on investment property (Note 13)	**4,079,775**	1,195,420
Inventory written off (Note 21)	**–**	2,020,186
Marketing and distribution expenses	**9,277,085**	8,318,283
Lease expense (Note 27.3)	**92,788**	83,623
Loss on disposal of other investments	**377,390**	239,152
Professional fees	**559,870**	391,851
Property related taxes	**4,144,615**	3,991,520
Property, plant and equipment written off	**9,456**	27,720
Upkeep and maintenance expenses of properties	**29,698,549**	30,033,092
Others	**3,388,133**	2,946,487
	59,934,928	58,026,241

Notes to the Financial Statements
For the financial year ended 31 December 2024

10. INCOME TAX EXPENSE

Major components of income tax expense

The major components of income tax expense for the years ended 31 December 2024 and 2023 are:

Group	2024 $	2023 $
Current income tax		
Current income taxation	**9,060,545**	3,525,314
Under/(over) provision in respect of prior years	**125,919**	(1,137,643)
	9,186,464	2,387,671
Deferred income tax		
Originating/(reversal) of temporary differences	**1,603,022**	(1,776,418)
Over provision of deferred tax liabilities in respect of prior years	**(149,363)**	(47,250)
	1,453,659	(1,823,668)
Income tax expense recognised in profit or loss	**10,640,123**	564,003

Relationship between tax expense and accounting profit

A reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 December 2024 and 2023 is as follows:

Group	2024 $	2023 $
Profit before tax	**17,200,672**	6,079,615
Tax at the domestic rate applicable to results in the countries where the Group operates	**6,098,303**	1,705,537
Income not subject to taxation (1)	**(4,094,099)**	(7,243,150)
Non-deductible expenses (2)	**8,516,422**	7,084,639
Deferred tax assets not recognised	**277,550**	333,580
Under/(over) provision of current taxation in respect of prior years	**125,919**	(1,137,643)
Over provision of deferred tax (liabilities)/assets in respect of prior years	**(149,363)**	(47,250)
Effect of partial tax exemption	**(135,975)**	(139,400)
Others	**1,366**	7,690
Income tax expense recognised in profit or loss	**10,640,123**	564,003

10. INCOME TAX EXPENSE/(CREDIT) (CONT'D)

(1) This relates mainly to exempt dividend received, fair value changes in financial instruments and gain on disposal of investment properties recognised.

(2) This relates mainly to depreciation of non-qualifying assets and other disallowed expenses incurred in the ordinary course of business.

Tax consequences of proposed dividends

There are no income tax consequences attached to the dividends to the shareholders proposed by the Company but not recognised as a liability in the financial statements (Note 35) for the years ended 31 December 2024 and 2023.

11. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share is calculated by dividing the profit net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following tables reflect the profit and share data used in the computations of basic and diluted earnings per share for the years ended 31 December:

Group	**2024** **$**	2023 $
Profit for the year attributable to owners of the Company used in the computation of basic and diluted earnings per ordinary share	**6,568,980**	5,558,842
Weighted average number of ordinary shares for basic and dilutive earnings per share computation (no. of shares)	**470,557,541**	470,557,541

Notes to the Financial Statements
For the financial year ended 31 December 2024

12. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land and properties $	Leasehold land and properties $	Motor vehicles $	Furniture, fittings and office equipment $	Plant and machinery $	Leased premises $	Total $
Cost							
At 1 January 2023	89,901,973	599,651,892	4,445,210	25,264,520	38,326,129	15,881,530	773,471,254
Additions	–	–	–	21,378,418	2,453,949	301,985	24,134,352
Transfer to asset held-for-sale (Note 25)	(63,584,233)	–	–	(6,644,092)	(6,227,632)	–	(76,455,957)
Exchange difference	(868,490)	1,166,623	(322)	2,346,040	169,925	–	2,813,776
Disposals/written off	–	–	–	(824,695)	(12,444,100)	–	(13,268,795)
At 31 December 2023 and 1 January 2024	**25,449,250**	**600,818,515**	**4,444,888**	**41,520,191**	**22,278,271**	**16,183,515**	**710,694,630**
Additions	**36,946,787**	**–**	**–**	**505,621**	**1,002,379**	**80,797**	**38,535,584**
Exchange difference	**(2,997,173)**	**540,678**	**(2,064)**	**(458,372)**	**(66,147)**	**366**	**(2,982,712)**
Disposals/written off	**–**	**–**	**–**	**(259,721)**	**(611,885)**	**–**	**(871,606)**
At 31 December 2024	**59,398,864**	**601,359,193**	**4,442,824**	**41,307,719**	**22,602,618**	**16,264,678**	**745,375,896**
Accumulated depreciation and impairment loss							
At 1 January 2023	8,506,967	112,123,240	2,560,065	15,091,452	21,815,600	5,682,906	165,780,230
Depreciation charge for the year	1,617,052	14,387,560	532,753	3,243,203	2,879,292	1,571,973	24,231,833
Transfer to asset held-for-sale (Note 25)	(7,704,559)	–	–	(4,720,994)	(2,789,528)	–	(15,215,081)
Exchange difference	(62,930)	223,543	(111)	2,245,078	105,945	–	2,511,525
Disposals/written off	–	–	–	(820,107)	(12,420,968)	–	(13,241,075)
At 31 December 2023 and 1 January 2024	**2,356,530**	**126,734,343**	**3,092,707**	**15,038,632**	**9,590,341**	**7,254,879**	**164,067,432**
Depreciation charge for the year	**950,986**	**14,403,987**	**397,760**	**3,898,746**	**1,514,605**	**1,614,001**	**22,780,085**
Exchange difference	**(188,450)**	**70,643**	**(1,879)**	**(288,793)**	**(23,647)**	**(74)**	**(432,200)**
Disposals/written off	**–**	**–**	**–**	**(258,791)**	**(603,359)**	**–**	**(862,150)**
	3,119,066	**141,208,973**	**3,488,588**	**18,389,794**	**10,477,940**	**8,868,806**	**185,553,167**
Net carrying amount							
At 31 December 2023	23,092,720	474,084,172	1,352,181	26,481,559	12,687,930	8,928,636	546,627,198
At 31 December 2024	**56,279,798**	**460,150,220**	**954,236**	**22,917,925**	**12,124,678**	**7,395,872**	**559,822,729**

Notes to the Financial Statements
For the financial year ended 31 December 2024

12. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(i) Right-of-use ("ROU") assets classified under property, plant and equipment

Group

ROU assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such assets are disclosed below:

(a) Addition of ROU assets during the year was $169,442 (2023: $301,985).

(b) Carrying amounts and related depreciation of ROU assets classified within property, plant and equipment are as follows:

	2024	2023
	$	$
Carrying amounts of ROU assets		
Leasehold land	**64,413,019**	67,871,525
Furniture, fittings and office equipment	**37,995**	72,628
Plant and machinery	**77,386**	–
Leased premises	**7,395,872**	8,928,636
	71,924,272	76,872,789
Depreciation charge of ROU assets during the year		
Leasehold land	**3,458,506**	3,458,506
Furniture, fittings and office equipment	**34,633**	34,633
Motor vehicles	**–**	38,389
Plant and machinery	**7,329**	–
Leased premises	**1,614,001**	1,571,973
	5,114,469	5,103,501

12. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(ii) Assets pledged as security

Certain property, plant and equipment are mortgaged to secure bank facilities (Note 27.1).

(iii) Motor vehicles with carrying amount of $810,610 (2023: $1,038,854) for the Group are registered in the names of certain directors and employees. These are held in trust for the Company and for the respective companies in the Group.

(iv) A wholly-owned subsidiary of the Group, Meteorite Land (Great Eastern) Pty Ltd, had on 19 December 2023 entered into a Sale and Purchase Agreement with S & C Christie Pty Ltd as trustee for the S & C Christie Family Trust to acquire the Great Eastern Motor Lodge ("**the Property**") located at Rivervale, Western Australia. The Group had paid an amount of S$36,947,000 (A$42,051,000) which includes the related purchase tax for the acquisition of the Property and the completion of the acquisition took place on 11 March 2024.

(v) Details of properties included in property, plant and equipment as at 31 December 2024 are as follows:

Description of properties	Tenure	Existing use	Land area sq. m.	Group's effective equity interest
Singapore				
1 Yuan Ching Road	30-year leasehold from 1.1.2002	Land parcel, sports and recreation complex, and carpark	21,754	99.07%
Aloft Singapore Novena	99-year leasehold from 4.11.2008	Hotels	23,983 (gross floor area)	99.54%
Australia				
Hotel at 27 Rowe Avenue, Rivervale, Perth with 224 rooms	Freehold	Hotel	17,774 (gross floor area)	100%
Motor Lodge at Great Eastern Highway, Rivervale, Perth with 198 rooms and 180 parking spaces	Freehold	Hotel	11,892	100%
United Kingdom				
Hotel at 2 Mercury Way, Trafford, Urmston, Manchester with 220 rooms	200-year long leasehold from 28.8.2015	Hotel	7,042	100%

(vi) Assets subject to operating lease

	2024 **$**	2023 $
Carrying value		
- Properties on leasehold land	**4,735,437**	5,411,928

Notes to the Financial Statements
For the financial year ended 31 December 2024

13. INVESTMENT PROPERTIES

Group	2024 $	2023 $
Cost		
At 1 January	**637,322,093**	646,348,975
Transfer to asset held-for-sale (Note 25)	**–**	(7,667,748)
Exchange differences	**(8,710,793)**	(1,359,134)
At 31 December	**628,611,300**	637,322,093
Accumulated depreciation and impairment loss		
At 1 January	**84,303,443**	74,564,664
Depreciation charge for the year	**9,387,523**	9,433,705
Impairment loss (Note 9)	**4,079,775**	1,195,420
Transfer to asset held-for-sale (Note 25)	**–**	(751,823)
Exchange differences	**(1,698,681)**	(138,523)
At 31 December	**96,072,060**	84,303,443
Net carrying amount	**532,539,240**	553,018,650

<u>The following amounts are recognised in profit or loss:</u>

	2024 $	2023 $
Rental income from investment properties		
- Minimum lease payments	**25,048,192**	24,650,296
Direct operating expenses (including repairs and maintenance)		
- Rental generating properties	**(12,409,146)**	(11,603,208)

Except as disclosed in Note 27.1, the Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

<u>Valuation of investment properties</u>

Investment properties are stated at cost less accumulated depreciation and accumulated impairment losses. Valuation of investment properties is performed for bank covenant assessment, disclosure purpose and impairment assessments. The Group obtains external, independent valuations for its investment properties annually. The external valuers have recognised and relevant professional qualification with relevant experience in the location and category of the properties being valued.

Fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The Group reviews the appropriateness of the valuation methodologies and assumptions adopted. The Group also evaluates the appropriateness and reliability of the inputs used in the valuations.

The fair value of the investment properties as at 31 December 2024 is $830,846,080 (2023: $828,757,160) and the valuation methods applied are further discussed in Note 37(d).

13. INVESTMENT PROPERTIES (CONT'D)

Impairment of assets

In the current financial year, a subsidiary of the Group, Meteorite Property (Stirling Street) Pty Ltd, recorded an impairment loss on the investment property situated at 130 Stirling Street, Perth, Australia. The impairment loss of $4,079,775 (2023: $1,195,420) (Note 9) was recorded in 'Other expenses' in profit or loss to reflect a decrease in its recoverable amount, arising from the increase in capitalisation rate in Australia. The recoverable amount of A$76,500,000, which is equivalent to $64,657,800 (2023: A$83,600,000, which is equivalent to $75,373,760) was determined based on its fair value less cost to sell. The investment property belongs to the 'Rental income' reportable segment in Note 39.

Details of valuation techniques and inputs used to determine the fair value of 130 Stirling Street are as follows and are classified under level 3 of the fair value hierarchy.

Valuation techniques	**Unobservable inputs**	**Range**
Capitalisation approach	Capitalisation rate	7.25% (2023: 6.75%)

Sensitivity analysis for change in capitalisation rate of 130 Stirling Street, Perth, Australia

If the capitalisation rate used had been 50 basis points (2023: 50 basis points) higher, the Group's profit would have been $4,683,328 (2023: $5,664,269) lower arising as a result of higher impairment loss relating to the asset.

If the capitalisation rate used had been 50 basis points (2023: 50 basis points) lower, the Group's profit would have been $5,278,026 (2023: $4,141,735) higher arising as a result of lower impairment loss relating to the asset (2023: the Group would not be recording any impairment loss on the asset).

13. INVESTMENT PROPERTIES (CONT'D)

Assets pledged as security

Certain investment properties are mortgaged to secure bank facilities (Note 27.1).

Details of investment properties as at 31 December 2024 are as follows:

Description of properties	Tenure	Existing use	Strata area sq. m.
Singapore			
1 residential unit at 68 St Thomas Walk	Freehold	Residential	606
2 residential units at 1 Lewis Road	Freehold	Residential	607
1 Claymore Drive #B1-01/40 Orchard Towers	Freehold	Retail space	735
150 Orchard Road #09-01/02 Orchard Plaza	99-year leasehold from 2.6.1977	Retail space	1,424
1 Jalan Anak Bukit #B1-59/59A Bukit Timah Plaza	99-year leasehold from 30.8.1976	Retail space	112
35 Selegie Road #B1-04 to #B1-12, #B1-14 to #B1-18, #B1-20 to #B1-38 Parklane Shopping Mall	99-year leasehold from 1.12.1974	Retail space	2,352
Commercial properties At Zhongshan Park	99-year leasehold from 4.11.2008	Retail/ office space	15,138 (gross floor area)
21 retail units and 38 office units at 400 Orchard Road and 1 Claymore Drive Orchard Towers	Freehold	Retail/ office space	11,898
45 factory units and 1 canteen of 9-storey multiple user light industrial development at 56 Kallang Pudding Road	Freehold	Industrial	8,373
Australia			
7-level commercial building comprising five levels of office, four retail tenancies to ground level, and a total of 242 parking bays at 130 Stirling Street, Perth	Freehold	Commercial	12,064 (net lettable area)
10-level commercial building comprising seven levels of office, two retail tenancies to ground level, and a total of 501 parking bays at 25 Rowe Avenue, Perth	Freehold	Commercial	10,571 (net lettable area)

Notes to the Financial Statements
For the financial year ended 31 December 2024

14. SUBSIDIARIES

Company	2024 $	2023 $
Unquoted equity shares, at cost	**395,040,397**	395,040,397
Loans to subsidiary	**227,560,624**	227,560,624
	622,601,021	622,601,021
Impairment losses	**–**	(5,260,000)
	622,601,021	617,341,021
Movement in allowance accounts:		
At 1 January	**(5,260,000)**	(26,910,000)
Write back of allowance	**5,260,000**	21,650,000
At 31 December	**–**	(5,260,000)

The loans to subsidiary represent an extension of its investment in the subsidiary. These amounts are unsecured and interest-free with repayment terms at the discretion of the subsidiary.

During the year, the Company wrote back impairment losses of $5,260,000 (2023: $21,650,000) previously provided for on its investments in one subsidiary (2023: two subsidiaries) to recoverable amount as a result of the increase in fair value of underlying property assets (2023: property assets and other investments) held by the subsidiaries. The recoverable amount is determined based on fair value less cost of disposal which approximates the subsidiaries' revalued net assets of $82,919,670 (2023: $151,356,433) as at end of reporting period which are classified under level 3 of the fair value hierarchy. The revalued net assets incorporate appraised fair value of underlying property assets held by the subsidiary determined by the external valuers who makes reference to recent transacted prices of comparable properties for which the fair values have been determined based on valuation techniques disclosed in Note 37 (2023: appraised fair value of underlying property assets held by the subsidiaries determined by the external valuers who made reference to recent transacted prices of comparable properties and other investments). If the revalued net assets of the subsidiaries have been 5% higher, there will be no impairment loss written back during the year (2023: the impairment loss written back during the year will be $3,840,000 higher). If the revalued net assets of the subsidiaries have been 5% lower, the impairment loss written back during the year would have been approximately $2,140,000 (2023: $5,870,000) lower.

Notes to the Financial Statements
For the financial year ended 31 December 2024

14. SUBSIDIARIES (CONT'D)

(a) Details of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation/ principal place of business	Effective shareholding 2024 %	Effective shareholding 2023 %	Principal activities
Held by the Company				
Hiap Hoe Investment Pte Ltd	Singapore	**100**	100	Investment holding
WestBuild Construction Pte Ltd	Singapore	**100**	100	Civil engineering, general road construction and sub-contractor works
Hiap Hoe Strategic Pte Ltd	Singapore	**100**	100	Investment holding
HH Land Pte Ltd (1)	Singapore	**100**	100	Dormant
Meteorite Group Pte Ltd	Singapore	**100**	100	Investment holding
HH Residences Pte Ltd	Singapore	**100**	100	Property investment and owner
Golden Bay Realty (Private) Limited	Singapore	**100**	100	Property investment and owner
Held by Meteorite Group Pte Ltd				
Meteorite Land Pty Ltd	Australia	**100**	100	Property owner
Meteorite Assets Pte Ltd	Singapore	**100**	100	Investment holding
Held by Meteorite Land Pty Ltd				
Meteorite Land (Pearl River) Pty Ltd Meteorite Land (Pearl River) Unit Trust (2)	Australia	**100**	100	Property owner
Meteorite Property (Stirling Street) Pty Ltd	Australia	**100**	100	Property investment and owner
Meteorite Land (Rowe Avenue) Pty Ltd Meteorite Land (Rowe Avenue) Unit Trust (2)	Australia	**100**	100	Property investment and owner
Meteorite Land (Great Eastern) Pty Ltd Meteorite Land (Great Eastern) Unit Trust (2)	Australia	**100**	100	Property investment and owner

Notes to the Financial Statements
For the financial year ended 31 December 2024

14. SUBSIDIARIES (CONT'D)

(a) Details of the subsidiaries are as follows (Cont'd):

Name of subsidiaries	Country of incorporation/ principal place of business	Effective shareholding		Principal activities
		2024	2023	
		%	%	
Held by Meteorite Assets Pte Ltd				
Meteorite Assets Limited	United Kingdom	**100**	100	Investment holding
Held by Meteorite Assets Limited				
Meteorite Manchester Limited	United Kingdom	**100**	100	Investment holding
Held by Meteorite Manchester Limited				
Trafford City Hotel Limited	United Kingdom	**100**	100	Hotel owner
Held by Hiap Hoe Strategic Pte Ltd				
SuperBowl Holdings Limited	Singapore	**99.07**	99.07	Investment holding
Held by SuperBowl Holdings Limited				
SuperBowl Jurong Pte Ltd	Singapore	**99.07**	99.07	Property investment
SuperBowl Development Pte Ltd	Singapore	**99.07**	99.07	Owners and operators of bowling centres and recreation centres
Super Funworld Pte Ltd	Singapore	**99.07**	99.07	Property investment
Held by the Company and SuperBowl Holdings Limited				
HH Properties Pte Ltd *	Singapore	**99.54**	99.54	Property developer and owner

The Singapore incorporated subsidiaries are audited by Ernst & Young LLP, Singapore. The Australia incorporated subsidiaries are audited by member firms of EY Global in Australia and the United Kingdom incorporated subsidiaries are audited by HLB Beever and Struthers, Manchester.

(1) This company is dormant and exempted from audit under the Singapore Companies Act.

(2) Unit Trust was incorporated to own the properties.

* The Company holds 50% ownership interest in HH Properties Pte Ltd and account for it as a joint venture in its separate financial statements (Note 15).

15. JOINT VENTURE

Company	2024 $	2023 $
Shares, at cost	**5**	5
Share of post-acquisition reserves	**18,354,942**	19,718,106
Dividend received	**(13,200,000)**	–
	5,154,947	19,718,111

This relates to interest in HH Properties Pte Ltd ("HHP") which is jointly held by the Company and SuperBowl Holdings Limited in equal proportions of 50%.

The Company has equity accounted for its investment in HHP in its separate financial statements. As the Group effectively owned 99.54% (2023: 99.54%) interest in HHP, the interest in joint venture based on equity accounting method is reversed and the investee is consolidated in the Group's financial statements. Details of HHP are disclosed in Note 14.

16. OTHER ASSETS

Group	2024 $	2023 $
Current		
Other deposits	**398,886**	350,640
Non-current		
Deposit paid on acquisition of capital assets	**–**	3,606,400

In 2023, the deposit of S$3,606,400 (equivalent of A$4,000,000) was related to a Sale and Purchase Agreement entered to acquire the Great Eastern Motor Lodge located at Rivervale, Western Australia from S & C Christie Pty Ltd as trustee for the S & C Christie Family Trust for A$40,000,000. The completion of the sale and purchase of the Property took place on 11 March 2024.

Notes to the Financial Statements
For the financial year ended 31 December 2024

17. TRADE AND OTHER RECEIVABLES/ LEASE INCENTIVES

	Group		Company	
	2024	2023	**2024**	2023
	$	$	**$**	$
Current				
Trade receivables	**2,817,833**	3,727,452	**–**	–
Allowance for impairment	**(302,473)**	(381,325)	**–**	–
GST receivables	**507**	387,785	**–**	–
	2,515,867	3,733,912	**–**	–
Other receivables:				
Interest receivables	**2,896,762**	2,680,911	**–**	–
Lease receivables	**372,069**	443,923		
Staff loans	**2,330**	19,470	**–**	–
Sundry receivables	**636,841**	291,750	**–**	–
Withholding tax receivables	**41,817**	–	**–**	–
	3,949,819	3,436,054	**–**	–
Trade and other receivables (current)	**6,465,686**	7,169,966	**–**	–
Lease incentives	**1,357,830**	1,356,129	**–**	–
Non-current				
Lease receivables	**3,071,029**	2,663,956	**–**	–
Staff loans	**–**	1,630	**–**	–
Others	**24,000**	24,000	**–**	–
Other receivables (non-current)	**3,095,029**	2,689,586	**–**	–
Lease incentives	**8,568,710**	10,057,954	**–**	–
Trade and other receivables (current and non-current)	**9,560,715**	9,859,552	**–**	–
Less: GST receivables	**(507)**	(387,785)	**–**	–
Less: Lease receivables	**(3,443,098)**	(3,107,879)	**–**	–
Less: Deposit paid on acquisition of capital assets	**–**	(3,606,400)	**–**	–
Less: Withholding tax receivables	**(41,817)**	–	**–**	–
Add:				
Due from subsidiaries, trade [Note 18(i)]	**–**	–	**769,778**	730,695
Due from subsidiaries, non-trade [Note 18(ii)(a)]	**–**	–	**21,106,594**	19,755,020
Due from a related company, trade [Note 18(i)]	**–**	904	**–**	–
Other assets (Note 16)	**398,886**	3,957,040	**–**	–
Cash and short-term deposits (Note 24)	**69,846,265**	41,777,400	**385,913**	962,180
Total financial assets carried at amortised cost	**76,320,444**	48,492,832	**22,262,285**	21,447,895

<u>Trade receivables</u>

Trade receivables are non-interest bearing and are generally on 30 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

17. TRADE AND OTHER RECEIVABLES/ LEASE INCENTIVES (CONT'D)

Trade and other receivables

Trade and other receivables of the Group denominated in foreign currencies are as follows:

Group	2024 $	2023 $
Australian Dollar	**531,725**	607,292
British Pound	**54**	38
Euro	**1,725,162**	1,447,750
Hong Kong Dollar	**15**	9
Swiss Franc	**54**	–
United States Dollar	**236,698**	236,484

Interest receivables

Certain interest receivables are pledged to secure bank facilities (Note 27.1).

Staff loans

Staff loans are unsecured and non-interest bearing. In 2023, the non-current amounts had maturity ranging between 1 to 2 years.

Lease incentives

Relates to upfront lease incentives paid to tenants for leases in Perth. These lease incentives are recognised in profit or loss on a straight-line basis over the contractual lease term.

During the financial year ended 31 December 2024, the Group had paid to a tenant the upfront lease incentives of $561,043 relating to a renewal lease in Perth.

Trade receivables that are past due but not impaired

The Group has trade receivables amounting to $1,837,410 (2023: $2,611,436) that are past due at the balance sheet date but not impaired. These receivables are unsecured and the analysis of their aging at the end of the reporting period is as follows:

Group	2024 $	2023 $
Trade receivables past due but not impaired:		
Less than 30 days	**1,461,221**	2,166,729
31- 60 days	**271,308**	300,446
61- 90 days	**79,655**	15,862
More than 90 days	**25,226**	128,399
	1,837,410	2,611,436

Based on historical default rates, the Group believes that no impairment allowance is necessary in respect of trade receivables past due. These receivables are mainly arising from customers that have a good credit record with the Group.

Notes to the Financial Statements
For the financial year ended 31 December 2024

17. TRADE AND OTHER RECEIVABLES/ LEASE INCENTIVES (CONT'D)

Expected credit losses assessment

The Group provides for lifetime expected credit losses for trade receivables from customers by reference to past default experience of the debtors and an analysis of days past due, adjusted for forward-looking factors specific to the debtors and the economic environment.

The following table provides information about the exposure to credit risk and expected credit losses for current trade receivables as at 31 December:

Group	**2024** **$**	2023 $
Movement in allowance accounts:		
At 1 January	**381,325**	435,104
Amount written off	**(9,254)**	(44,112)
Write back of allowance	**(59,311)**	(37,514)
Charge for the year	**10,577**	31,069
Exchange difference	**(20,864)**	(3,222)
At 31 December	**302,473**	381,325

18. DUE FROM/(TO) SUBSIDIARIES/RELATED COMPANIES

(i) Trade

Trade amounts due from/(to) subsidiaries and a related company are unsecured, interest-free and repayable on demand. Related company refer to a member of the immediate and ultimate holding company's group of companies.

Trade amounts due from subsidiaries which are denominated in foreign currency:

Company	**2024** **$**	2023 $
British Pound	**663,272**	597,864

(ii) Non-trade

(a) Non-trade amounts due from subsidiaries are as follows:

Company	**2024** **$**	2023 $
Current		
Loans	**24,528,002**	22,702,665
Interest receivable	**1,805,671**	869,888
Performance guarantee fee receivable	**787,625**	601,513
Advances	**108,559**	324,061
Less: allowance for impairment	**(6,123,263)**	(4,743,107)
Total	**21,106,594**	19,755,020

18. DUE FROM/(TO) SUBSIDIARIES/RELATED COMPANIES (CONT'D)

(ii) Non-trade (Cont'd)

(a) Non-trade amounts due from subsidiaries are as follows (Cont'd):

Balances denominated in foreign currency are as follows:

Company	**2024** **$**	2023 $
British Pound	**20,998,036**	19,663,356

Amounts due from subsidiaries are unsecured and repayable on demand. The loans bear weighted average effective interest at 6.64% (2023: 7.11%) per annum while advances and performance guarantee fee receivable are interest free.

Expected credit loss assessment

During the year, the Company had provided an impairment loss of $1,380,156 (2023: $1,222,195) for amount due from a subsidiary. The above assessment has taken into account the financial position of the subsidiary, and the allowance was due to decrease in net asset value of the subsidiary as at the reporting date.

The following table provides information about the exposure to credit risk and expected credit losses for loan to a subsidiary as at 31 December:

Company	**2024** **$**	2023 $
Movement in allowance accounts		
At 1 January	**4,743,107**	3,520,912
Charge for the year	**1,380,156**	1,222,195
At 31 December	**6,123,263**	4,743,107

(b) Non-trade amounts due to subsidiaries and a related company are as follows:

Group

Non-trade amounts due to a related company of the Group represent the secondment of staff cost to a related company, are unsecured, interest-free and repayable on demand.

18. DUE FROM/(TO) SUBSIDIARIES/RELATED COMPANIES (CONT'D)

(ii) Non-trade (Cont'd)

(b) Non-trade amounts due to subsidiaries and a related company are as follows (Cont'd):

Company	**2024** $	2023 $
Current		
Loans	**(110,472,639)**	(112,286,922)
Interest payable	**(1,325,596)**	(3,202,661)
Performance guarantee fee	**(185,456)**	–
Advances	**(20,647,740)**	(20,673,000)
	132,631,431	(136,162,583)

Balances denominated in foreign currency are as follows:

British Pound	**(21,168,201)**	(19,504,955)

Amounts due to subsidiaries are unsecured and repayable on demand. The loans bear weighted average effective interest at 4.47% (2023: 5.15%) per annum while advances and performance guarantee fee payable are interest-free.

19. DEFERRED TAXATION

	Group			
	Balance sheet		**Income statement**	
	2024 **$**	2023 $	**2024** **$**	2023 $
Deferred tax assets:				
Unutilised tax losses	**244,351**	8,113,356	**(7,159,980)**	1,147,538
Unutilised capital allowance	**–**	416,401	**(404,670)**	(1,593,489)
Differences on leases	**(2,537,767)**	290,055	**398,579**	35,180
Difference in depreciation for tax purposes	**8,101,205**	4,611,770	**3,976,027**	894,518
	5,807,789	13,431,582	**(3,190,044)**	483,747
Deferred tax liabilities:				
Unremitted foreign income and profits	**824,651**	794,449	**29,343**	(74,209)
Differences on leases	**–**	3,259,249	**–**	(408,068)
Fair value adjustment on acquisition of subsidiaries	**64,991,379**	66,691,107	**(1,699,728)**	(1,699,728)
Difference in depreciation for tax purposes	**2,188,774**	3,084,119	**(66,000)**	842,084
	68,004,804	73,828,924	**(1,736,385)**	(1,339,921)

Unutilised tax losses

Certain subsidiaries of the Company have unutilised tax losses of $60,633,000 (2023: $59,455,000) for offset against future taxable income, subject to the agreement of various tax authorities in the countries where the Group operates. The deferred tax assets arising from these unutilised tax losses have not been recognised in the financial statements in accordance with the accounting policy in Note 2.23(b) to the financial statements.

At the end of the reporting period, there are no deferred tax liabilities on net investment in subsidiaries.

20. OTHER INVESTMENTS

Group	2024 $	2023 $
At fair value through profit or loss		
- Quoted investments (ii)	**164,010,827**	146,461,246
- Unquoted investments (iii)	**234,307,331**	195,441,609
	398,318,158	341,902,855

(i) Other investments include debt instruments. The Group has reviewed its policy of classification and determined that these debt instruments will be sold from time to time to realise capital appreciation or for liquidity management. Accordingly, these debt instruments will continue to classify as FVPL in accordance with SFRS(I) 9 based on the Group's business model.

(ii) Quoted investments

The fair value of quoted investments is determined by reference to the respective stock exchange quoted bid price.

(iii) Unquoted investments

Included in unquoted investments is investment in A2I Holdings S.A.R.L ("A2I") which relates to the investment in AccorInvest Group, which owns or leases hotels mainly operated by the Accor Group. The Group holds 20.71% (2023: 20.71%) interest in A2I and the carrying value of A2I as at 31 December 2024 was $99,544,800 (2023: $83,501,488). A2I is a limited liability investment holding company which is incorporated and domiciled in Luxembourg. Management has determined that the investment in A2I is passive and the Group has no significant influence in the said investee.

As the unquoted investments are not publicly traded, the fair values are determined based on valuation techniques as disclosed in Note 37(c).

(iv) Assets pledged as security

Certain trading investments are pledged to secure bank facilities (Note 27.1).

20. OTHER INVESTMENTS (CONT'D)

(v) Other investments of the Group denominated in foreign currencies are as follows:

Group	2024 $	2023 $
Australian Dollar	**56,034,758**	28,086,295
Bangladesh Taka	**355,839**	337,509
British Pound	**4,401,573**	4,262,417
Canadian Dollar	**276,575**	200,206
Danish Krone	**1,400,430**	1,612,807
Euro	**124,364,623**	109,935,110
Hong Kong Dollar	**8,053,870**	6,562,903
Japanese Yen	**1,028,653**	312,466
Malaysia Ringgit	**1,578,064**	1,376,830
Swiss Franc	**4,700,897**	4,875,633
United States Dollar	**116,062,358**	108,704,575

(vi) During the financial year, the Group recognised fair value gain of $24,555,150 (2023: $26,415,682) on other investments (Note 8).

21. INVENTORIES, AT COST

Group	2024 $	2023 $
Consumables	**108,489**	164,025
Hotel supplies	**1,542,957**	2,116,301
	1,651,446	2,280,326

Inventories recognised in other expenses amounted to $583,964 (2023: $674,849).

During the year ended 31 December 2023, the Group recognised an inventory written off for amount of $2,020,186 pursuant to the re-branding of the two Singapore hotels at 16 Ah Hood Road and 1 Jalan Rajah to Aloft Singapore Novena (Note 9).

22. DERIVATIVES

	Group			
	2024		2023	
	Assets **$**	**Liabilities** **$**	Assets $	Liabilities $
Currency swaps	**–**	**–**	158,232	–
Options	**300**	**(11,899)**	2,786	(60,686)
Total derivatives	**300**	**(11,899)**	161,018	(60,686)
Add: Other investments (Note 20)	**398,318,158**	**–**	341,902,855	–
Total financial assets/(liabilities) at fair value through profit or loss	**398,318,458**	**(11,899)**	342,063,873	(60,686)

22. DERIVATIVES (CONT'D)

During the financial year, the Group recognised fair value loss of $298,072 (2023: gain of $33,485) on derivative instruments (Note 8).

Currency swaps

Currency swaps are used to hedge foreign currency risk arising from the Group's trading investments denominated in foreign currencies.

Options

Options derivatives contracts are entered which give the Group's the right to buy or sell an underlying trading investment at a specified strike price on a specified date.

Derivatives of the Group denominated in foreign currencies are as follows:

	Group			
	2024		2023	
	Assets	**Liabilities**	Assets	Liabilities
	$	**$**	$	$
Euro	**–**	**(11,899)**	–	(60,686)
United States Dollar	**–**	**–**	160,568	–

23. COMPLETED PROPERTIES FOR SALE

Group	**2024**	2023
	$	$
At 1 January	**1,574,763**	1,844,017
Sale of properties	**(765,046)**	(245,741)
Exchange differences	**(67,301)**	(23,513)
At 31 December	**742,416**	1,574,763

Details of properties as at 31 December 2024 are as follows:

Description of properties	**Tenure**	**Group's effective interest in property**	**Floor area sq. m.**
Australia			
3 residential units at 6-22 Pearl River Road, Melbourne	Freehold	100%	138

Notes to the Financial Statements

For the financial year ended 31 December 2024

24. CASH AND SHORT-TERM DEPOSITS

	Group		Company	
	2024	2023	**2024**	2023
	$	$	**$**	$
Cash and bank balances	**15,588,852**	14,502,221	**385,913**	962,180
Fixed deposits	**54,257,413**	27,275,179	**–**	–
	69,846,265	41,777,400	**385,913**	962,180
Cash and bank balances pledged	**(2,990,184)**	(4,386,228)	**–**	–
Fixed deposits pledged	**(43,392,622)**	(25,213,365)	**–**	–
Cash and cash equivalents	**23,463,459**	12,177,807	**385,913**	962,180

Certain cash and bank balances and fixed deposits are pledged to secure bank facilities (Note 27.1).

Cash and fixed deposits of the Group denominated in foreign currencies are as follows:

Group	**2024**	2023
	$	$
Australian Dollar	**49,405,724**	22,934,432
Bangladesh Taka	**21,932**	23,309
British Pound	**219,848**	275,322
Canadian Dollar	**7,056**	–
Danish Krone	**40,902**	25,422
Euro	**713,853**	887,862
Hong Kong Dollar	**364,613**	252,159
Japanese Yen	**7,471**	33,721
Malaysia Ringgit	**251,830**	170,772
Swiss Franc	**274,703**	173,044
United States Dollar	**1,051,889**	1,258,351

Group and Company

Cash and bank balances earn interest at floating rates based on daily bank deposit rates.

Group

Fixed deposits pledged are made for varying periods of between one month to one year (2023: varying periods of one year) and earn interests at the respective fixed deposit rates. The weighted average effective interest rates as at 31 December 2024 ranged from 0.35% to 4.90% (2023: 0.35% to 5.48%) per annum.

25. ASSET HELD-FOR-SALE

Group

In 2023, the Group received an offer from WFM Financial Holdings Pty Ltd for the sale of hotel at Four Points by Sheraton, Melbourne Dockland for A$96,000,000. The completion of the disposal occurred on 9 April 2024 which resulted in the Group recognising a net gain on disposal of S$18,162,000 (A$20,618,000) in the financial year ended 31 December 2024.

Notes to the Financial Statements
For the financial year ended 31 December 2024

25. ASSET HELD-FOR-SALE (CONT'D)

In 2023, the Group had also transferred two units of investment properties at Skyline 360º at St Thomas Walk to asset held-for-sale upon obtaining purchase options on these property units. These properties were mortgaged to secure bank facilities and the mortgages were discharged upon completion of the sales during the year with recorded gain on disposal of $13,245,075 (Note 5).

26. TRADE AND OTHER PAYABLES

	Group		Company	
	2024	2023	**2024**	2023
	$	$	**$**	$
Current				
Trade payables	**2,399,220**	2,860,387	**–**	–
GST payables	**2,195,986**	1,535,190	**54,297**	89,179
Advance receipts and billings	**942,374**	1,251,387	**–**	–
Other payables	**2,057,390**	2,700,330	**8,419**	11,961
Withholding taxes payables	**11,113**	124,020	**–**	–
Lease payables	**281,973**	124,489	**–**	–
Trade and other payables (current)	**7,888,056**	8,595,803	**62,716**	101,140
Trade and other payables (current and non-current)	**7,888,056**	8,595,803	**62,716**	101,140
Add:				
Due to a subsidiary, trade [Note 18(i)]	**–**	–	**–**	49,366
Due to subsidiaries, non-trade [Note 18(ii)(b)]	**–**	–	**132,631,431**	136,162,583
Due to a related company, trade [Note 18(i)]	**7,630**	67,786	**–**	–
Due to a related company, non-trade [Note 18(ii)(b)]	**26,040**	25,648	**–**	–
Other liabilities (Note 28)	**19,818,321**	22,241,643	**896,497**	979,853
Interest-bearing loans and borrowings (Note 27)	**768,302,926**	759,146,728	**–**	–
	796,042,973	790,077,608	**133,590,644**	137,292,942
Less: GST payables	**(2,195,986)**	(1,535,190)	**(54,297)**	(89,179)
Less: Lease payables	**(281,973)**	(124,489)	**–**	–
Less: Deposits that are not financial liabilities	**(1,741,545)**	(1,750,606)	**–**	–
Less: Advance receipts and billings	**(942,374)**	(1,251,387)	**–**	–
Less: Deferred income (Note 28)	**(4,708,333)**	(4,958,333)	**–**	–
Less: Withholding taxes payables	**(11,113)**	(124,020)	**–**	–
Less: Withholding taxes accrued (Note 28)	**(41,854)**	(17,479)	**–**	–
Less: Lease liabilities (Note 27)	**(25,411,732)**	(28,955,713)	**–**	–
Total financial liabilities carried at amortised cost	**760,708,063**	751,360,391	**133,536,347**	137,203,763

Trade and other payables are non-interest bearing and have an average term of one to three months.

Notes to the Financial Statements

For the financial year ended 31 December 2024

27. INTEREST-BEARING LOANS AND BORROWINGS

	Effective interest rate [1] (% per annum)		Maturity	Group	
	2024	2023		**2024** $	2023 $
Current liabilities					
Secured bank borrowings (Note 27.1)	**5.04**	5.64	2025	**169,747,604**	277,455,146
Interest payable	**–**	–	2025	**515,306**	869,121
Lease liabilities (Note 27.3)	**4.36**	4.24	2025	**3,784,898**	3,663,736
				174,047,808	281,988,003
Non-current liabilities					
Secured bank borrowings (Note 27.1)	**4.39**	6.39	2026 – 2027	**572,628,284**	451,866,748
Lease liabilities (Note 27.3)	**4.36**	4.24	2026 – 2035	**21,626,834**	25,291,977
				594,255,118	477,158,725
Total				**768,302,926**	759,146,728

(1) Based on weighted average effective interest rates.

27.1 The outstanding secured bank borrowings are secured by the following assets:

Group	**2024** $	2023 $
Property, plant and equipment (Note 12)	**481,333,421**	497,176,892
Investment properties (Note 13)	**520,895,748**	541,280,119
Trade and other receivables (Note 17)	**750,428**	1,008,640
Other investments (Note 20)	**200,981,061**	173,499,641
Cash and bank balances (Note 24)	**2,990,184**	4,386,228
Fixed deposits (Note 24)	**43,392,622**	25,213,365
Asset held-for-sale (Note 25)	**–**	61,240,876
	1,250,343,464	1,303,805,761

27. INTEREST-BEARING LOANS AND BORROWINGS (CONT'D)

27.2 The bank borrowings are secured by the following:

(a) legal mortgages on the Group's property, plant and equipment and investment properties, (collectively, the "Properties");
(b) legal assignment of all rights and benefits under the sales and purchase agreements, hotel management contracts and/or tenancy agreements;
(c) assignment of all insurance policies and interest service reserve account for certain Properties;
(d) deed of subordination to subordinate all loans and advances from the Company to the facilities;
(e) corporate guarantees given by the Company and certain subsidiaries; and
(f) a charge over certain trading investments, cash and short-term deposits and shares of a subsidiary

The Group's secured bank borrowings at 31 December 2024 of $742,375,888 (2023: $729,321,894) are subject to the following loan covenants:

(a) Maintenance of certain financial ratios such as interest coverage ratios, debt coverage ratios, debt servicing coverage ratios and gearing ratios;
(b) Maintenance of security margins based on the market values of the Properties and the trading investments.

The loan covenants are either tested annually at 31 December, or half-yearly at 30 June and 31 December to ensure that the ratios falls within the requirements of the loan facility agreements. For the financial year ended 31 December 2024, the Group has met and compiled with the covenant requirements.

27.3 <u>Lease liabilities</u>

The Group enters into leases for building, leased premises, motor vehicles and office equipment from non-related parties under non-cancellable lease agreements. There are no restrictions placed upon the Group by entering into these contracts.

The leases for certain leased premises contain extension periods for which the related lease payments had been included in lease liabilities as the Group is reasonably certain to exercise these extension options. The leases for certain leased premises also include termination options. The Group negotiates extension options to provide flexibility in managing the leased assets and align with the Group's business needs.

These non-cancellable lease payments included in the measurement of the lease liabilities comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives; and
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date.

27. INTEREST-BEARING LOANS AND BORROWINGS (CONT'D)

27.3 Lease liabilities (Cont'd)

Included in the interest-bearing loans and borrowings of the Group are the following:

Group	2024 $	2023 $
Lease liabilities payable:		
Due not later than one year	**4,791,269**	4,821,223
Due later than one year but not later than five years	**16,563,532**	17,520,291
Due later than five years	**8,116,656**	11,820,570
	29,471,457	34,162,084
Finance charges allocated to future periods	**(4,059,725)**	(5,206,371)
Present value of lease liabilities	**25,411,732**	28,955,713
Present value of lease liabilities:		
Due not later than one year	**3,784,898**	3,663,736
Due later than one year but not later than five years	**14,068,905**	14,436,270
Due later than five years	**7,557,929**	10,855,707
	21,626,834	25,291,977
	25,411,732	28,955,713

As at 31 December 2024 and 2023, the Group's short-term lease commitments are not substantially dissimilar to those giving rise to the Group's short-term lease expense for the year.

In the financial year ended 31 December 2024, lease payments recognised in the consolidated income statement was $92,788 (2023: $83,623). Contingent rents are payable subject to the related revenue exceeding a level stated in the respective agreements. Contingent lease payments recognised in the consolidated income statement in 2024 amounted to $27,857 (2023: $25,996).

Lease expenses not capitalised in lease liabilities but recognised within "operating expenses" in profit or loss are set out below:

Group	2024 $	2023 $
Short-term leases	**42,672**	42,847
Leases of low-value asset	**22,259**	14,780
Variable lease expense due to payments not dependent on an index or rate	**27,857**	25,996
	92,788	83,623

27. INTEREST-BEARING LOANS AND BORROWINGS (CONT'D)

27.4 The interest-bearing loans and borrowings of the Group denominated in foreign currencies are as follows:

	2024 $	2023 $
Australian Dollar	**307,002**	1,653,282
British Pound	**22,607,233**	20,801,923
Euro	**110,915,345**	110,772,354
Hong Kong Dollar	**4,663,073**	4,297,633
Japanese Yen	**808,346**	–
United States Dollar	**56,956,868**	53,653,791

28. OTHER LIABILITIES

	Group		Company	
	2024 **$**	2023 $	**2024** **$**	2023 $
Current				
Accrued operating expenses	**7,872,888**	7,739,868	**751,497**	819,853
Deposits received	**4,243,550**	3,595,664	**–**	–
Payable for property, plant and equipment	**404,451**	2,659,806	**–**	–
Provision for Directors' fees	**145,000**	160,000	**145,000**	160,000
Withholding taxes accrued	**41,854**	17,479	**–**	–
	12,707,743	14,172,817	**896,497**	979,853
Non-current				
Deposits received	**2,402,245**	3,110,493	**–**	–
Deferred income	**4,708,333**	4,958,333	**–**	–
	7,110,578	8,068,826	**–**	–
Total other liabilities	**19,818,321**	22,241,643	**896,497**	979,853

(i) During the financial year, the Group had amortised a deferred income of $214,845 (2023: $115,956) (Note 5).

(ii) Other liabilities of the Group denominated in foreign currencies are as follows:

	2024 $	2023 $
Australian Dollar	**2,184**	–
United States Dollar	**–**	16,313

29. SHARE CAPITAL

Group and Company

	2024	2023	**2024**	2023
	Number of shares		**$**	$
Issued and fully paid ordinary shares				
Balance at beginning and at end	**474,557,391**	474,557,391	**84,445,256**	84,445,256

The holders of ordinary shares (excluding treasury shares as disclosed in Note 30) are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

30. TREASURY SHARES

Group and Company

	2024	2023	**2024**	2023
	Number of shares		**$**	$
Balance at beginning and at end	**(3,999,850)**	(3,999,850)	**(1,101,125)**	(1,101,125)

Treasury shares relate to ordinary shares of the Company that are held by the Company.

31. RESERVES

	Group		**Company**	
	2024	2023	**2024**	2023
	$	$	**$**	$
Accumulated profits	**677,644,390**	674,604,598	**432,967,735**	437,503,125
Capital reserve (Note a)	**(7,671,719)**	(7,671,719)	**–**	–
Foreign currency translation reserve (Note b)	**(38,248,340)**	(30,584,656)	**–**	–
Gain on reissuance of treasury shares (Note c)	**51,890**	51,890	**51,890**	51,890
	631,776,221	636,400,113	**433,019,625**	437,555,015

(a) Capital reserve

The capital reserve arises from the application of reverse acquisition accounting in prior years.

(b) Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

(c) Gain on reissuance of treasury shares

This represents the gain arising from purchase, sale, issue or cancellation of treasury shares. No dividend may be paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to members on a winding up) may be made in respect of this reserve.

Notes to the Financial Statements
For the financial year ended 31 December 2024

32. RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year:

(a) Sale and purchase of goods and services

Group	2024 $	2023 $
Expenses		
Site expenses paid to a related company	**105,925**	164,060
Rental expense paid to a related company	**42,672**	42,848
Rental expense paid to a related party	**59,500**	102,000
Secondment of staff from a related company	**157,597**	87,163

Related party refers to a company in which a director has controlling interest.

(b) Compensation of key management personnel

	Group	
	2024 **$**	2023 $
Short-term employee benefits	**4,775,339**	4,344,937
Central Provident Fund contributions	**125,232**	119,317
	4,900,571	4,464,254
Comprise amounts paid to:		
Directors of the Company	**3,038,068**	2,661,677
Other key management personnel	**1,862,503**	1,802,577
	4,900,571	4,464,254

The remuneration of certain key management personnel is determined by the remuneration committee having regard to the performance of individuals and market trends.

33. COMMITMENTS AND CONTINGENCIES

(a) Capital and investment commitments

Capital and investment expenditure contracted for as at the end of the reporting period but not recognised in the financial statements are as follows:

Group	2024 $	2023 $
Unquoted investments	**14,156,345**	15,076,214

(b) Operating lease commitments – as lessor

The Group has entered into commercial property leases on its investment properties and property, plant and equipment. These non-cancellable leases have remaining lease terms of up to 9 years (2023: 9 years). All leases include clauses to enable upward revision of the rental charge on an annual basis on prevailing market conditions and agreed fixed yearly increment.

The undiscounted lease payments from the operating leases to be received after 31 December 2024 and 2023 are disclosed below:

Group	2024 $	2023 $
Undiscounted lease payments to be received:		
Year 1	**26,161,384**	27,238,989
Year 2	**16,895,506**	20,716,157
Year 3	**8,909,156**	12,079,829
Year 4	**5,214,010**	6,097,104
Year 5	**4,217,502**	4,351,468
Year 6 and onwards	**10,972,519**	12,933,588
	72,370,077	83,417,135

These leases are classified as operating lease because the risks and rewards incidental to ownership of the assets are not substantially transferred. The unguaranteed residual values do not represent a significant risk for the Group, as they relate to properties which are located in locations with mainly constant increase in value.

In the financial year ended 31 December 2024, contingent rents recognised in the consolidated income statement was $6,766 (2023: $18,243). Contingent rents are receivable subject to the related revenue exceeding a level stated in the respective agreements.

34. CORPORATE GUARANTEES, UNSECURED

The Company has given corporate guarantees of $975,478,360 (2023: $1,053,745,400) to financial institutions in connection with credit facilities granted to its subsidiaries. The liabilities of the Company are limited to the outstanding principal amounts due to lenders and bankers' guarantee issued by financial institutions of its subsidiaries amounting to $701,208,708 (2023: $683,858,952).

Notes to the Financial Statements
For the financial year ended 31 December 2024

35. DIVIDENDS

Group and Company

	2024	2023
	$	$
Declared and paid during the financial year:		
Dividends on ordinary shares:		
- Final exempt (one-tier) dividend for 2023 – 0.5 cent (2023: for 2022 – 0.5 cent) per share	**2,352,791**	2,352,791
- Interim exempt (one-tier) dividend for 2024 – 0.25 cent (2023: for 2023 – 0.10 cent) per share	**1,176,397**	470,559

Proposed but not recognised as a liability as at 31 December:

Group and Company

	2024	2023
	$	$
Dividends on ordinary shares, subject to shareholders' approval at the Annual General Meeting:		
- Final exempt (one-tier) dividend for 2024 – 0.5 cent (2023: 0.5 cent) per share	**2,352,791**	2,352,791

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include interest rate risk, liquidity risk, credit risk, foreign currency risk and market price risk.

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the Executive Directors and Chief Financial Officer. The Audit and Risk Committee provides independent oversight to the effectiveness of the risk management process. It is and has been throughout the current and previous financial years, the Group's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks.

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises primarily from their bank loans and borrowings, and interest-bearing loans from the subsidiaries. All of the Group's and the Company's financial assets and liabilities at floating rates are contractually repriced at intervals of less than 6 months (2023: less than 6 months) from the end of the reporting period.

The Group's exposure to the risks of changes in market interest rates relates primarily to the Group's long term debt obligation with floating interest rates. Management reviews the interest rate strategies to minimise interest rate risk by taking into account the cash flow forecasts, term of debt obligation and market outlook.

Sensitivity analysis for interest rate risk

At 31 December 2024, if interest rates had been 100 (2023: 100) basis points higher with all other variables held constant, the Group's profit net of tax would have been approximately $6,151,000 (2023: $6,043,000) lower arising mainly as a result of higher interest expense on floating rate loans and borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility as in prior years.

Information relating to the Group's interest rate exposure is disclosed in the notes on the Group's borrowings, including leasing obligations.

Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The Group's and the Company's liquidity risk management policy is to arrange specific credit facilities with different banks. With the good reputation and the long term relationship maintained with the banks, the Group is able to obtain high financing quantum at favourable interest rates. In addition, the Group has maintained standby credit facilities such as term loans, revolving credit facilities and bank overdraft to meet any immediate obligations.

As at end of financial year, the Company is in a net current liabilities position mainly due to maturity of borrowings due to its subsidiaries within the next 12 months. Notwithstanding the net current liabilities position, considering the Company's existing financing resources, including its unutilised banking facilities, management believes that Company will be able to meet its current obligations as and when they fall due.

Notes to the Financial Statements

For the financial year ended 31 December 2024

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Liquidity risk (Cont'd)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's financial liabilities at the end of the reporting period based on contractual undiscounted repayments obligations.

Group **31 December 2024**	**Less than 1 year** **$**	**1 to 5 years** **$**	**More than 5 years** **$**	**Total** **$**
Financial liabilities				
Trade and other payables [1]	**4,456,610**	**–**	**–**	**4,456,610**
Derivatives - liabilities	**11,899**	**–**	**–**	**11,899**
Due to a related company, trade	**7,630**	**–**	**–**	**7,630**
Due to a related company, non-trade	**26,040**	**–**	**–**	**26,040**
Other liabilities [2]	**10,924,344**	**2,402,245**	**–**	**13,326,589**
Interest bearing loans and borrowings (excluding lease liabilities)	**202,416,170**	**582,096,628**	**–**	**784,512,798**
Lease liabilities	**4,791,269**	**16,563,532**	**8,116,656**	**29,471,457**
Total undiscounted financial liabilities	**222,633,962**	**601,062,405**	**8,116,656**	**831,813,023**

Group 31 December 2023	**Less than 1 year** **$**	**1 to 5 years** **$**	**More than 5 years** **$**	**Total** **$**
Financial liabilities				
Trade and other payables [1]	5,560,717	–	–	5,560,717
Derivatives - liabilities	60,686	–	–	60,686
Due to a related company, trade	67,786	–	–	67,786
Due to a related company, non-trade	25,648	–	–	25,648
Other liabilities [2]	12,404,732	3,110,493	–	15,515,225
Interest bearing loans and borrowings (excluding lease liabilities)	313,275,417	478,830,358	–	792,105,775
Lease liabilities	4,821,223	17,520,291	11,820,570	34,162,084
Total undiscounted financial liabilities	336,216,209	499,461,142	11,820,570	847,497,921

(1) Excludes advance receipts and billings, GST payables, lease payables and withholding taxes payables.

(2) Excludes pre-sale deposits received, deferred income and withholding taxes accrued.

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Liquidity risk (Cont'd)

Analysis of financial instruments by remaining contractual maturities (Cont'd)

Company	**Less than 1 year $**	**1 to 5 years $**	**Total $**
31 December 2024			
Financial liabilities			
Trade and other payables [(1)]	**8,419**	**–**	**8,419**
Other liabilities	**896,497**	**–**	**896,497**
Due to subsidiaries, non-trade	**137,472,925**	**–**	**137,472,925**
Total undiscounted financial liabilities	**138,377,841**	**–**	**138,377,841**
31 December 2023			
Financial liabilities			
Trade and other payables [(1)]	11,961	–	11,961
Due to a subsidiary, trade	49,366	–	49,366
Other liabilities	979,853	–	979,853
Due to subsidiaries, non-trade	141,813,709	–	141,813,709
Total undiscounted financial liabilities	142,854,889	–	142,854,889

[(1)] Excludes GST payables.

The table below shows the contractual expiry by maturity of the Group's and Company's financial guarantees. The maximum amounts of financial guarantee contracts are allocated to the earliest period in which the guarantee could be called.

Group	**Less than 1 year $**	**1 to 5 years $**	**Total $**
31 December 2024			
Financial guarantees	**1,135,667**	**148,163**	**1,283,830**
31 December 2023			
Financial guarantees	271,285	1,041,505	1,312,790
Company			
31 December 2024			
Financial guarantees	**128,281,047**	**572,927,661**	**701,208,708**
31 December 2023			
Financial guarantees	230,950,698	452,908,254	683,858,952

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Liquidity risk (Cont'd)

Analysis of financial instruments by remaining contractual maturities (Cont'd)

Based on historical experience and adjusted for forward-looking factors specific to the company, management has assessed that the estimated credit loss arising from financial guarantees is minimal.

Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables, including amounts due from subsidiaries and related companies. For the other financial assets (including investment securities, cash and short-term deposits), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis. The Group does not expect to incur material credit losses on its financial instruments.

The Group and the Company develops and maintains its credit risk gradings to categorise exposures to its financial instruments according to their degree of risk of default. The Group uses its past collection history, existing market conditions as well as forward looking estimates to rate its receivables.

The Group's credit risk framework comprises the following categories:

Category	**Description**	**Basis for recognising expected credit losses ("ECL")**
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL - not credit impaired
In default	Amount is >90 days past due or there is evidence indicating the asset is credit impaired.	Lifetime ECL - credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery.	Amount is written off

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Credit risk (cont'd)

The Group and the Company determines that its financial assets (including amounts due from subsidiaries and related companies) are credit-impaired when:

- There is significant financial difficulty of the debtor
- A breach of contract, such as a default or past due event
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- There is disappearance of an active market for that financial asset because of financial difficulty.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to meet a repayment plan with the Group and the Company. Where loans and receivables have been written off, the Group and the Company continue to engage enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

Management assessed the recoverability of the amounts due from subsidiaries to determine if there is any credit default and expected credit loss. In determining the expected credit loss, management has taken into account the financial position of the subsidiaries, adjusted for factors that are specific to the subsidiaries and general economic conditions of the industry in which the subsidiaries operate, in estimating the probability of default of the loans due from subsidiaries as well as the loss upon default.

Based on available information, management has assessed that amounts due from subsidiaries have low credit risk. Accordingly, for the purpose of impairment assessment, the loss allowance is measured at an amount equal to 12 months expected credit losses. The assessment of the credit quality and loss allowance for the amounts due from subsidiaries are disclosed in Note 18(ii)(a).

There has been no material change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for amounts due from subsidiaries.

For trade receivables, the Group applies the simplified approach in calculating lifetime expected credit losses. The Group determines the expected credit losses on trade receivables by referencing to its historical credit loss experience based on past due status of the debtors, adjusted for forward-looking factors specific to the debtors and the economic environment. For certain trade receivables, the Group has sufficient deposit to cover those debts that are overdue. There is no probability of default for cases where deposits collected are greater than the amount outstanding. The gross and net carrying amount of the Group's trade and other receivables and further details on the loss allowance for the trade receivables are disclosed in Note 17.

<u>Excessive risk concentration</u>

Concentration arises when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Selective hedging is used within the Group to manage risk concentrations at both the relationship and industry levels.

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Credit risk (cont'd)

Exposure to credit risk

At the end of the reporting period, the Group's and the Company's maximum exposure to credit risk is represented by:

- The carrying amount of each class of financial assets recognised in the balance sheets
- A nominal amount of $975,478,360 (2023: $1,053,745,400) relating to corporate guarantees provided by the Company to banks on subsidiaries' bank facilities

Information regarding credit exposure for trade and other receivables is disclosed in Note 17.

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country and industry sector profile of its trade receivables on an on-going basis. The credit risk concentration profile of the Group's trade receivables excluding GST receivables at the end of the reporting period is as follows:

	2024		2023	
Group	**$**	**% of total**	$	% of total
By country:				
Australia	**1,003,436**	**40**	2,054,254	61
Singapore	**1,450,191**	**58**	1,201,849	36
United Kingdom	**61,733**	**2**	90,024	3
	2,515,360	**100**	3,346,127	100
By industry sectors:				
Rental	**276,696**	**11**	1,122,181	33
Hotel	**2,013,343**	**80**	1,961,154	59
Leisure	**225,321**	**9**	262,792	8
	2,515,360	**100**	3,346,127	100

For trade and other receivables, the Group has applied the simplified approach in SFRS(I) 9 and uses an allowance matrix to measure the expected credit losses of trade receivables from customers. The allowance matrix is based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Note 17 includes further details on the loss allowance for these receivables.

Financial assets that are neither past due nor impaired

Trade and other receivables, due from related companies and other assets that are neither past due nor impaired are with creditworthy debtors with good payment record with the Group. Cash and short-term deposits and other investments that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 17 (Trade and other receivables).

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Foreign currency risk

Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Group has some assets and liabilities denominated in foreign currencies and have exposure to foreign exchange risk mainly in Australian Dollar, British Pound, Euro, Hong Kong Dollar and United States Dollar. The following table demonstrates the sensitivity of the Group's profit net of tax if the exchange rates had been 5% (2023: 5%) higher/lower with all other variable held constant.

Group		**Profit after tax 2024**	Profit after tax 2023
Australian Dollar	strengthened 5%	**2,059,573**	908,370
	weakened 5%	**(2,059,573)**	(908,370)
British Pound	strengthened 5%	**(929,074)**	(851,852)
	weakened 5%	**929,074**	851,852
Euro	strengthened 5%	**(4,502,262)**	(4,502,643)
	weakened 5%	**4,502,262**	4,502,643
Hong Kong Dollar	strengthened 5%	**(178,385)**	(167,887)
	weakened 5%	**178,385**	167,887
United States Dollar	strengthened 5%	**(2,310,234)**	(2,160,450)
	weakened 5%	**2,310,234**	2,160,450

The Group is also exposed to currency translation risk arising from its net investments in foreign operation in Australia and United Kingdom. The Group uses loans in foreign currency to hedge its exposure to foreign exchange risk on investments in foreign operations where applicable. The Group also uses forward currency contracts to manage foreign exchange risk.

Market price risk

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates). The Group is exposed to price risk arising from its investments classified as financial assets. The Group does not have exposure to commodity price risk.

Sensitivity analysis for price risk

At the end of the reporting period, if the market prices had been 2% (2023: 2%) higher/lower with all other variables held constant, the Group's profit net of tax would have been approximately $7,416,000 (2023: $6,371,000) higher/lower, arising as a result of higher/lower fair value gains on other investments, and the Group's equity would have been $7,416,000 (2023: $6,371,000) higher/lower, arising as a result of an increase/decrease in the fair value of other investments.

37. FAIR VALUE OF ASSETS AND LIABILITIES

(a) Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 - Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 - Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(b) Assets and liabilities measured at fair value

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting period:

	Fair value measurements at the end of the reporting period using			
Group **31 December 2024**	**Quoted prices in active markets for identical instruments (Level 1)** **$**	**Significant observable inputs other than quoted prices (Level 2)** **$**	**Significant unobservable inputs (Level 3)** **$**	**Total** **$**
Recurring fair value measurements				
Assets				
Financial assets:				
At fair value through profit or loss (Note 20)				
Quoted investments	**164,010,827**	**–**	**–**	**164,010,827**
Unquoted investments	**–**	**–**	**234,307,331**	**234,307,331**
Total other investments	**164,010,827**	**–**	**234,307,331**	**398,318,158**
Derivatives (Note 22)				
Options	**–**	**–**	**300**	**300**
Total derivatives	**–**	**–**	**300**	**300**
Financial assets as at 31 December 2024	**164,010,827**	**–**	**234,307,631**	**398,318,458**
Liabilities				
Financial liabilities:				
Derivatives (Note 22)				
Options	**–**	**–**	**(11,899)**	**(11,899)**
Total derivatives	**–**	**–**	**(11,899)**	**(11,899)**
Financial liabilities as at 31 December 2024	**–**	**–**	**(11,899)**	**(11,899)**

Notes to the Financial Statements
For the financial year ended 31 December 2024

37. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

(b) Assets and liabilities measured at fair value (Cont'd)

	Fair value measurements at the end of the reporting period using			
Group	**Quoted prices in active markets for identical instruments (Level 1) $**	**Significant observable inputs other than quoted prices (Level 2) $**	**Significant unobservable inputs (Level 3) $**	**Total $**
31 December 2023				
Recurring fair value measurements				
Assets				
Financial assets:				
At fair value through profit or loss (Note 20)				
Quoted investments	146,461,246	–	–	146,461,246
Unquoted investments	–	–	195,441,609	195,441,609
Total other investments	146,461,246	–	195,441,609	341,902,855
Derivatives (Note 22)				
Currency swaps	–	–	158,232	158,232
Options	–	–	2,786	2,786
Total derivatives	–	–	161,018	161,018
Financial assets as at 31 December 2023	146,461,246	–	195,602,627	342,063,873
Liabilities				
Financial liabilities:				
Derivatives (Note 22)				
Options	–	–	(60,686)	(60,686)
Total derivatives	–	–	(60,686)	(60,686)
Financial liabilities as at 31 December 2023	–	–	(60,686)	(60,686)

37. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

(c) Level 3 fair value measurements

Information about significant unobservable inputs used in Level 3 fair value measurements

Financial instruments measured with valuation techniques using significant unobservable inputs (Level 3) include unquoted trading investments and derivatives such as options and currency swaps.

For unquoted investments managed by financial institutions and derivatives, the Group relies on the valuations as provided by the external valuers and the respective financial institutions managing the other investments. The valuers and the financial institutions in turn use their own valuation techniques, such as revalued net asset values and comparable market approach in determining the fair value. Therefore, the unquoted investments and derivatives are reported in Level 3 of the fair value hierarchy as the fair values are determined based on models with unobservable market inputs to derive the closing price.

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3):

2024	**Valuation techniques**	**Unobservable inputs**	**Ratio**	**Sensitivity of the input to fair value**
Unquoted investments managed directly by the Group	Comparable market approach	Price-to-book multiples of peer companies	1.64x	A 5% increase (decrease) in the price-to-book multiple would result in an increase (decrease) in fair value by $5,070,000

2023	**Valuation techniques**	**Unobservable inputs**	**Ratio**	**Sensitivity of the input to fair value**
Unquoted investments managed directly by the Group	Comparable market approach	Price-to-book multiples of peer companies	1.78x	A 5% increase (decrease) in the price-to-book multiple would result in an increase (decrease) in fair value by $1,505,000

Notes to the Financial Statements
For the financial year ended 31 December 2024

37. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

(c) Level 3 fair value measurements (Cont'd)

Movements in Level 3 assets and liabilities measured at fair value

The following table presents the reconciliation for all assets and liabilities measured at fair value based on significant unobservable input (Level 3):

	Fair value measurements using significant unobservable inputs (Level 3)		
Group	**Unquoted investments**	**Derivatives assets/ (liabilities)**	**Total**
	$	**$**	**$**
31 December 2024			
At 1 January	**195,441,609**	**100,332**	**195,541,941**
Loss on disposal of other investments	**(181,228)**	**–**	**(181,228)**
Fair value changes included in profit or loss	**14,277,040**	**(298,072)**	**13,978,968**
Return of capital	**(302,585)**	**–**	**(302,585)**
Purchase of other investments	**32,810,900**	**–**	**32,810,900**
Proceeds from disposal of other investments	**(7,738,405)**	**–**	**(7,738,405)**
Settlement of derivatives	**–**	**186,141**	**186,141**
At 31 December	**234,307,331**	**(11,599)**	**234,295,732**

	Fair value measurements using significant unobservable inputs (Level 3)		
Group	**Unquoted investments**	**Derivatives assets/ (liabilities)**	**Total**
	$	$	$
31 December 2023			
At 1 January	153,020,494	133,355	153,153,849
Loss on disposal of other investments	(174,142)	–	(174,142)
Fair value changes included in profit or loss	22,637,756	33,485	22,671,241
Purchase of other investments	28,001,784	–	28,001,784
Proceeds from disposal of other investments	(8,044,283)	–	(8,044,283)
Settlement of derivatives	–	(66,508)	(66,508)
At 31 December	195,441,609	100,332	195,541,941

37. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

(d) Assets and liabilities not carried at fair value but for which fair value is disclosed

The following table shows an analysis of the Group's assets not measured at fair value but for which fair value is disclosed:

	Fair value measurements at the end of the reporting period using			
Group	**Quoted prices in active markets for identical instruments (Level 1) $**	**Significant observable inputs other than quoted prices (Level 2) $**	**Significant unobservable inputs (Level 3) $**	**Total $**
31 December 2024				
Assets				
Investment properties	**–**	**–**	**830,846,080**	**830,846,080**
31 December 2023				
Assets				
Investment properties	–	–	828,757,160	828,757,160

<u>Determination of fair value</u>

The fair values of the investment properties as disclosed in the table above were based on the income capitalisation method and/or direct comparison method. The income capitalisation method involves the conversion of the estimated annual net rental income of the property after deducting all necessary outgoings and expenses such as property tax, costs of repairs and maintenance and insurance into a capital sum at a suitable rate of return which reflects the tenure and quality of the investment, while the direct comparison method considers the sale of similar properties that have been transacted in the open market.

The valuations of the investment properties are based on the highest and best use. Current use, unless there are evidence to the contrary, is considered highest and best use.

(e) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The carrying amounts of cash and short term deposits, trade and other receivables, other assets, due from/to related companies (trade)/(non-trade), trade and other payables, other liabilities and interest-bearing loans and borrowings are reasonable approximation of their fair values, either due to their short-term nature or that they are floating rate instruments that are repriced to market interest rate on or near the end of the reporting period.

38. CAPITAL MANAGEMENT

Capital includes debt and equity items as disclosed in the table below:

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 December 2024 and 31 December 2023.

The Group monitors capital using a debt to equity ratio, which is total interest-bearing loans and borrowings divided by equity attributable to the owners of the Company. Include in the total interest-bearing loans and borrowings is the lease liabilities of $25,411,732 (2023: $28,955,713).

Group	**2024** **$**	2023 $
Interest bearing loans and borrowings (Note 27)	**768,302,926**	759,146,728
Equity attributable to the owners of the Company	**715,120,352**	719,744,244
Debt to equity ratio	**107.4%**	105.5%

39. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services, and has five reportable operating segments as follows:

i. The development properties segment is in the business of acquiring land/property and developing them into residential/industrial/commercial properties for sales.

ii. The rental segment is in the business of renting of space under the investment properties and property, plant and equipment.

iii. The leisure segment is in the business of providing leisure and recreational facilities, including bowling centres, billiards centres and amusement centres under the brand 'SuperBowl'.

iv. The hotel operations segment is operated under the brand names of "Aloft Singapore Novena", "Holiday Inn Express Trafford City", "Four Points by Sheraton Melbourne", "Aloft Perth" and "Great Eastern Motor Lodge". The Group had completed the acquisition of Great Eastern Motor Lodge on 11 March 2024 and the disposal of Four Points by Sheraton Melbourne on 9 April 2024 respectively.

v. The other investments portfolio consists of a mix of quoted and unquoted investments.

vi. The others segment is involved in Group-level corporate services and treasury functions.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Notes to the Financial Statements
For the financial year ended 31 December 2024

39. SEGMENT INFORMATION (CONT'D)

31 December 2024	Development Properties $	Rental Income $	Leisure Business $	Hotel Income $	Other Investments $	Others $	Elimination $	Total $
Revenue:								
Segment revenue								
- External sales	1,020,824	29,288,857	11,071,392	83,976,369	–	–	–	125,357,442
- Inter-segment sales (Note A)	–	291,211	–	–	–	2,894,265	(3,185,476)	–
	1,020,824	29,580,068	11,071,392	83,976,369	–	2,894,265	(3,185,476)	125,357,442
Results:								
Segment profit/(loss) (Note B)	170,859	(4,142,283)	2,479,058	18,182,902*	28,168,965	(12,461,144)	(15,197,685)	17,200,672
Income tax expense								(10,640,123)
Profit after tax								6,560,549
Other information:								
Other income	13,395	5,107,025	68,076	20,462,606	–	231,825	–	25,882,927
Interest income	–	202,727	–	22,147	6,703,855	103,517	–	7,032,246
Finance cost	–	(11,752,782)	(421,266)	(13,318,757)	(9,036,452)	(4,014,238)	–	(38,543,495)
Fair value changes in other investments	–	–	–	–	24,555,150	–	–	24,555,150
Fair value changes in derivative instruments	–	–	–	–	(298,072)	–	–	(298,072)
Depreciation expense	–	(8,844,529)	(2,421,024)	(8,827,053)	–	(62,793)	(12,012,209)	(32,167,608)
Other expenses	(98,314)	(17,412,824)	(1,906,136)	(38,652,782)	(860,247)	(1,004,625)	–	(59,934,928)
Other material non-cash item:								
Impairment loss on investment property	–	(4,079,775)	–	–	–	–	–	(4,079,775)

* This includes $18,162,000 gain on disposal of Four Points by Sheraton, Melbourne Docklands and defects claims received of $851,485.

31 December 2024	Development Properties $	Rental Income $	Leisure Business $	Hotel Income $	Other Investments $	Others $	Elimination $	Total $
Assets:								
Additions to non-current assets (Note C)	–	92,651	256,712	38,184,502	–	1,719	–	38,535,584
Segment assets (Note D)	742,418	474,079,629	13,842,734	220,451,312	454,740,551	9,262,839	–	1,173,119,483
Segment liabilities (Note E)	–	299,851,544	10,304,804	194,441,813	171,042,087	131,304,605	–	806,944,853

Notes to the Financial Statements
For the financial year ended 31 December 2024

39. SEGMENT INFORMATION (CONT'D)

31 December 2023	Development Properties $	Rental Income $	Leisure Business $	Hotel Income $	Other Investments $	Others $	Elimination $	Total $
Revenue:								
Segment revenue								
- External sales	328,139	28,941,272	11,217,618	71,400,276	–	–	–	111,887,305
- Inter-segment sales (Note A)	–	291,211	–	–	–	3,528,626	(3,819,837)	–
	328,139	29,232,483	11,217,618	71,400,276	–	3,528,626	(3,819,837)	111,887,305
Results:								
Segment profit/(loss) (Note B)	56,320	12,605,623 *	2,570,655	(15,325,043)	28,168,304	(6,164,198)	(15,832,046)	6,079,615
Income tax expense								(564,003)
Profit after tax								5,515,612
Other information:								
Other income	18,728	19,119,148	49,963	504,026	–	39,616	–	19,731,481
Interest income	–	220,407	–	8,475	4,622,141	45,000	–	4,896,023
Finance cost	–	(11,809,801)	(486,079)	(13,030,908)	(7,787,643)	(4,187,023)	–	(37,301,454)
Fair value changes in other investments	–	–	–	–	26,415,682	–	–	26,415,682
Fair value changes in derivative instruments	–	–	–	–	33,485	–	–	33,485
Depreciation expense	–	(9,103,395)	(2,392,649)	(10,071,923)	–	(85,362)	(12,012,209)	(33,665,538)
Other expenses	(44,806)	(14,076,468)	(2,047,048)	(40,179,323)	(747,415)	(931,181)	–	(58,026,241)
Other material non-cash items:								
Inventory written off	–	–	–	(2,020,186)	–	–	–	(2,020,186)
Impairment loss on investment property	–	(1,195,420)	–	–	–	–	–	(1,195,420)

* This includes $13,245,075 gain on disposal of two units of investment properties at Skyline 360º at St Thomas Walk.

31 December 2023	Development Properties $	Rental Income $	Leisure Business $	Hotel Income $	Other Investments $	Others $	Elimination $	Total $
Assets:								
Additions to non-current assets (Note C)	–	81,268	639,511	26,943,600	–	4,773	–	27,669,152
Segment assets (Note D)	1,574,765	497,104,742	15,920,598	258,661,635	371,360,459	15,570,049	–	1,160,192,248
Segment liabilities (Note E)	–	325,006,209	11,696,051	195,613,314	172,231,962	95,142,540	–	799,690,076

39. SEGMENT INFORMATION (CONT'D)

Notes

A Inter-segment revenues are eliminated on consolidation.

B The following items are deducted from segment profit to arrive at "profit before tax" presented in the consolidated income statement:

	2024 **$**	2023 $
Profit from inter-segment sales	**3,185,476**	3,819,837
Depreciation	**12,012,209**	12,012,209
	15,197,685	15,832,046

C Additions to non-current assets consist of additions to property, plant and equipment. Included in 2023 was a deposit paid on acquisition of capital assets.

D The following items are added to segment assets to arrive at total assets reported in the consolidated balance sheet:

	2024 **$**	2023 $
Segment assets	**1,173,119,483**	1,160,192,248
<u>Unallocated assets</u>		
Property, plant and equipment	**300,753,649**	309,265,649
Investment properties	**116,293,861**	119,794,070
Consolidated total assets	**1,590,166,993**	1,589,251,967

E The following item is added to segment liabilities to arrive at total liabilities reported in the consolidated balance sheet:

	2024 **$**	2023 $
Segment liabilities	**806,944,853**	799,690,076
<u>Unallocated liability</u>		
Deferred tax liabilities	**64,991,380**	66,691,108
Consolidated total liabilities	**871,936,233**	866,381,184

39. SEGMENT INFORMATION (CONT'D)

Geographical information

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Revenue		Non-current assets	
	2024	2023	**2024**	2023
	$	$	**$**	$
Australia	**42,238,006**	41,853,171	**174,313,586**	160,398,783
Singapore	**74,138,068**	61,571,000	**896,891,359**	921,892,524
United Kingdom	**8,981,368**	8,463,134	**32,820,763**	33,706,851

There had been no transaction with a single external customer that amounts to 10% of the Group's revenue.

40. DIRECTORS' REMUNERATION

The numbers of Directors of the Company whose emoluments fall within the following bands are:

Company	**2024**	2023
$2,250,001 to $2,500,000	**1**	1
$250,001 to $500,000	**1**	1
Below $250,000	**4**	4
	6	6

41. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the year ended 31 December 2024 were authorised for issue in accordance with a resolution of the Directors on 11 April 2025.

STATISTICS OF SHAREHOLDINGS

AS AT 18 MARCH 2025

Number of Issued Shares (including Treasury Shares)	:	474,557,391
Number of Issued Shares (excluding Treasury Shares)	:	470,557,541
Number of Treasury Shares	:	3,999,850
Class of Shares	:	Ordinary
Voting Rights (excluding Treasury Shares)	:	One vote per share

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 - 99	455	20.31	16,943	0.00
100 - 1,000	578	25.79	295,643	0.06
1,001 - 10,000	675	30.12	2,943,480	0.63
10,001 - 1,000,000	515	22.98	32,115,576	6.83
1,000,001 AND ABOVE	18	0.80	435,185,899	92.48
Total	2,241	100.00	470,557,541	100.00

TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1	RAFFLES NOMINEES (PTE.) LIMITED	333,477,076	70.87
2	CGS INTERNATIONAL SECURITIES SINGAPORE PTE. LTD.	25,943,171	5.51
3	DBS NOMINEES (PRIVATE) LIMITED	22,795,784	4.84
4	MORPH INVESTMENTS LTD	10,169,000	2.16
5	SOON LI HENG CIVIL ENGINEERING PTE LTD	9,125,000	1.94
6	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	5,064,576	1.08
7	HONG LEONG FINANCE NOMINEES PTE LTD	4,844,750	1.03
8	BNP PARIBAS NOMINEES SINGAPORE PTE. LTD.	4,347,500	0.92
9	HENG SIEW ENG	3,212,300	0.68
10	CITIBANK NOMINEES SINGAPORE PTE LTD	2,913,652	0.62
11	GUI BOON SUI @GOI CHON YAN	2,703,400	0.57
12	WOO TCHI CHU	2,208,000	0.47
13	TAN WAN CHER GERALDINE	1,818,500	0.39
14	SOON LEE HENG TRADING & TRANSPORTATION PTE. LTD.	1,752,450	0.37
15	OCBC SECURITIES PRIVATE LIMITED	1,380,740	0.29
16	MERLIAOS PTE. LTD.	1,200,000	0.26
17	JEN SHEK CHUEN	1,120,000	0.24
18	CHIN KIAM HSUNG	1,110,000	0.24
19	IFAST FINANCIAL PTE. LTD.	924,175	0.20
20	CHONG TONG CONSTRUCTION PTE. LTD.	870,152	0.18
TOTAL		436,980,226	92.86

The percentage of the issued shares is calculated based on the number of issued shares as at 18 March 2025, excluding any treasury shares held at that date.

18.50% of the Company's shares (excluding treasury shares) are held in the hands of public. Accordingly, the Company has complied with Rule 723 of the Listing Manual of SGX-ST.

Substantial Shareholders as at 18 March 2025

No.	Name	Direct Interest	%	Deemed Interest	%
1	Hiap Hoe Holdings Pte Ltd [(i)]	-	-	349,578,726	74.29
2	Teo Ho Beng [(ii)]	5,182,100	1.10	349,578,726	74.29
3	Roland Teo Ho Kang [(iii)]	-	-	349,578,726	74.29
4	Gui Boon Sui @Goi Chon Yan [(iv)]	2,703,400	0.57	25,876,950	5.50

Notes:

(i) Hiap Hoe Holdings Pte Ltd holds 349,578,726 shares with its sub-depository agents as its nominees.

(ii) Mr Teo Ho Beng's deemed interests are derived from his shareholdings in Hiap Hoe Holdings Pte Ltd and his direct interest in 4,682,100 shares is held through a nominee company.

(iii) Mr Roland Teo Ho Kang's deemed interest is derived from his being the beneficiary of a trust which holds his shareholdings in Hiap Hoe Holdings Pte Ltd.

(iv) Based on the list of shareholders provided by SGX as at 18 March 2025, Mr Gui Boon Sui has a direct shareholding of 2,703,400 shares. However, as at 18 March 2025, the Company has not received any notification relating to any disclosure of change in interest from Mr Gui Boon Sui. As such his direct interest continues to be reflected as 2,405,500 shares and his deemed interest continues to be reflected as 25,876,950 shares in the Register of Substantial Shareholders.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of Hiap Hoe Limited (the "**Company**") will be held at Aloft Singapore Novena (West Wing), 16 Ah Hood Road, Zhongshan Room Level 2, Singapore 329982 on Wednesday, 30 April 2025 at 10.30 a.m. for the businesses as set out below. Please note that only beverages will be served at the AGM.

This Notice has been made available on SGXNet and the Company's website and may be accessed at the URL https://www.hiaphoe.com/annual-general-meeting/2025.

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 31 December 2024 together with the Auditors' Report. **(Resolution 1)**

2. To declare a final dividend of 0.5 Singapore cent per ordinary share (tax exempt one-tier) for the financial year ended 31 December 2024 (FY2023: 0.5 Singapore cent per ordinary share). **(Resolution 2)**

3. To re-elect the following Directors of the Company who are retiring pursuant to Regulation 106 of the Constitution of the Company:

   Mr Ong Seet Joon Amos **(Resolution 3)**

   Ms Kwok Chui Lian **(Resolution 4)**

4. To re-elect the following Director of the Company who is retiring pursuant to Regulation 91 of the Constitution of the Company:

   Mr Tan Kim Seng **(Resolution 5)**

5. To approve the payment of Directors' fees of S$145,000 for the financial year ended 31 December 2024 (FY2023: S$160,000). **(Resolution 6)**

6. To re-appoint Messrs Ernst & Young LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration. **(Resolution 7)**

7. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution, with or without any modifications:

8. **Authority to allot and issue new shares and convertible securities**

   That pursuant to Section 161 of the Companies Act 1967 and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Directors of the Company be authorised and empowered to:

   (a) (i) issue shares in the Company ("**shares**") whether by way of rights, bonus or otherwise; and/or

   (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

   (b) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

   provided that:

   (1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed 50% of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro-rata basis to shareholders of the Company shall not exceed 20% of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

NOTICE OF ANNUAL GENERAL MEETING

(2) (subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued shares (excluding treasury shares) shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:

(a) new shares arising from the conversion or exercise of any convertible securities;

(b) new shares arising from exercising share options or vesting of share awards provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the SGX-ST; and

(c) any subsequent bonus issue, consolidation or subdivision of shares,

Adjustments in accordance with (2)(a) or (2)(b) are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution of the Company; and

(4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (i)] **(Resolution 8)**

By Order of the Board

Lee Yuan
Joint Company Secretary
Singapore, 14 April 2025

Explanatory Notes:

(i) The Ordinary Resolution 8, if passed, will empower the Directors of the Company, effective until the conclusion of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, make or grant Instruments convertible into shares and to issue shares pursuant to such Instruments, up to a number not exceeding, in total, 50% of the total number of issued shares (excluding treasury shares) in the capital of the Company, of which up to 20% may be issued other than on a pro-rata basis to shareholders.

For determining the aggregate number of shares that may be issued, the total number of issued shares (excluding treasury shares) will be calculated based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time this Ordinary Resolution is passed after adjusting for new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when this Ordinary Resolution is passed and any subsequent bonus issue, consolidation or subdivision of shares.

Notes:

1. The AGM will be held in a wholly physical format, at Aloft Singapore Novena (West Wing), 16 Ah Hood Road, Zhongshan Room Level 2, Singapore 329982 on Wednesday, 30 April 2025 at 10.30 a.m. There will be no option for shareholders to participate virtually. Printed copies of this Notice of AGM and the Proxy Form will be sent by post to shareholders. These documents may also be accessed at the Company's website at the URL https://www.hiaphoe.com/annual-general-meeting/2025 and has also been made available on SGXNet.

2. Members may also submit questions related to the resolutions to be tabled for approval at the AGM. To do so, all questions must be submitted by 10.30 a.m. on 22 April 2025:

   (a) in hard copy by sending by post and lodging the same at the Registered Office of the Company at 18 Ah Hood Road, #13-51 Hiap Hoe Building At Zhongshan Park, Singapore 329983; or

NOTICE OF ANNUAL GENERAL MEETING

(b) by email to hiaphoe@hiaphoe.com.

Members will need to identify themselves when posing questions by email or by mail by providing the following details:

(a) the member's full name as it appears on his/her/its CDP/CPF/SRS/Scrip-based share records;

(b) the member's NRIC/Passport/UEN number;

(c) the member's contact number and email address; and

(d) the manner in which the member holds his/her/its Shares in the Company (e.g. via CDP, CPF, SRS or Scrip-based).

The Company will not be able to answer questions from persons who provide insufficient details to enable the Company to verify his/her/its shareholder status.

The Company will address all substantial and relevant questions received from Shareholders before 10.30 a.m. on 22 April 2025 relating to the resolutions tabled for approval at the AGM by 24 April 2025 via an announcement to be published on the Company's website at the URL https://www.hiaphoe.com/annual-general-meeting/2025 and SGXNet.

3. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies. Where such member's instrument appointing a proxy(ies) appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.

(b) A member who is a relevant intermediary is entitled to appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing a proxy(ies) appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument. Where the number and class of shares in relation to each proxy is not specified, it will be assumed that each proxy is appointed in relation to an equal number of shares divided amongst the proxies.

"**Relevant intermediary**" means:

(a) a banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;

(b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 and who holds shares in that capacity; or

(c) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

4. A proxy need not be a member of the Company.

5. The instrument appointing the proxy(ies), together with the letter or power of attorney or other authority (if applicable), if any, or a duly certified copy thereof must:

(a) if sent by post, be deposited at the registered office of the Company at 18 Ah Hood Road, #13-51 Hiap Hoe Building At Zhongshan Park, Singapore 329983; or

(b) if submitted by email, be received by the Company at hiaphoe@hiaphoe.com,

in either case, not less than 72 hours before the time for holding the AGM and in default the instrument of proxy shall not be treated as valid.

NOTICE OF ANNUAL GENERAL MEETING

A member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

6. The instrument appointing a proxy(ies) must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy(ies) is executed by a company, it must be either under its common seal or signed on its behalf by a duly authorised officer or attorney.

7. Where the instrument appointing a proxy(ies) is submitted by email, it must be authorised in the following manner:

   (a) by way of the affixation of an electronic signature by the appointer or his/her duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation; or

   (b) by way of the appointor or his duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation signing the instrument under hand and submitting a scanned copy of the signed instrument by email.

8. In the case of a member whose shares are entered against his/her/its name in the Depository Register, the Company may reject any instrument appointing a proxy(ies) lodged if such member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the AGM as certified by The Central Depository (Pte) Limited to the Company.

9. Persons who hold shares through relevant intermediaries (as defined in Section 181 of the Companies Act 1967, including CPF and SRS investors, and who wish to participate in the AGM ("**Relevant Intermediary Participants**") by (a) voting at the AGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators; or (b) by appointing the Chairman of the AGM as proxy to vote on their behalf at the AGM, should contact the relevant intermediary (which would include, in the case of CPF and SRS investors, their respective CPF Agent Banks and SRS Operators) through which they hold such shares as soon as possible in order to facilitate the necessary arrangements for them to participate in the AGM. CPF or SRS investors who wish to appoint the Chairman of the AGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 10.30 a.m. on 17 April 2025.

10. The Annual Report for the financial year ended 31 December 2024 may be accessed at the Company's website at the URL https://www.hiaphoe.com/annual-reports, under "Annual Report 2024", and have also been made available on SGXNet. Shareholders may request for printed copies of the Annual Report by submitting the request via email to hiaphoe@hiaphoe.com no later than 22 April 2025, and indicate in the same email their name, identification number and mailing address.

Personal data privacy:

By attending the AGM and/or any adjournment thereof or submitting an instrument appointing a proxy(ies) to attend, speak and vote at the AGM and/or any adjournment thereof or submitting any details of the proxy(ies) and/or representative(s) in connection with the AGM, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty. Photographic, sound and/or video recordings of the AGM may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the AGM. Accordingly, the personal data of a member of the Company and/or its proxy(ies) or representative(s) (such as his/her name, his/her presence at the AGM and any questions he/she may raise or motions he/she proposes/seconds) may be recorded by the Company for such purpose.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Mr Ong Seet Joon Amos, Ms Kwok Chui Lian and Mr Tan Kim Seng are the Directors seeking re-election at the forthcoming annual general meeting of the Company to be convened on 30 April 2025 ("**AGM**") (collectively, the "**Retiring Directors**" and each a "**Retiring Director**").

Pursuant to Rule 720(6) of the Listing Manual, the information relating to the Retiring Directors as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST is set out below:

	Mr Ong Seet Joon Amos	**Ms Kwok Chui Lian**
Date of Appointment	2 January 2024	2 January 2024
Date of last re-appointment	30 April 2024	30 April 2024
Age	58	65
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of the Company, having reviewed and considered the Nominating Committee's assessment of Mr Ong Seet Joon Amos's qualifications and work experience, is of the view that Mr Ong Seet Joon Amos possesses the requisite experience and capabilities to assume the responsibilities as an Independent Director of the Company.	The Board of the Company, having reviewed and considered the Nominating Committee's assessment of Ms Kwok Chui Lian's qualifications and work experience, is of the view that Ms Kwok Chui Lian possesses the requisite experience and capabilities to assume the responsibilities as an Independent Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	No, the appointment is non-executive	No, the appointment is non-executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-Executive and Independent Director Chairman of the Remuneration Committee, and Member of the Audit & Risk Committee and Nominating Committee	Non-Executive and Independent Director Chairman of the Nominating Committee, and Member of the Audit & Risk Committee and Remuneration Committee.
Professional Qualifications and Working experience and occupation(s) during the past 10 years	Council Member of the Economic Society of Singapore since 2012 Accredited Director, Singapore Institute of Directors Co-Founder and Co-Managing Partner, A3 Capital Pte Ltd – June 2021 to present Head, Client Coverage and Global Banking, Maybank Singapore – April 2012 to May 2021	Fellow member of the Singapore Association of the Institute of Chartered Secretaries and Administrators Fellow member of the Singapore Institute of Directors Advisor to the Chief Executive Officer of Resona Merchant Bank Asia Limited – July 2017 to 31 March 2024 President and Chief Executive Officer of AFC Merchant Bank – January 2008 to July 2017
Shareholding interest in the listed issuer and its subsidiaries	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION (CON'T)

	Mr Ong Seet Joon Amos	**Ms Kwok Chui Lian**
Any relationship (including immediate family relationships with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No	No
Conflict of Interest (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments Including Directorships		
Past (for the last 5 years)	None	None
Present	A3 Capital Pte Ltd Koh Brothers Group Ltd Tiong Seng Holdings Ltd	None
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.		
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
(b) Whether at any time during the last 10	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION (CON'T)

	Mr Ong Seet Joon Amos	**Ms Kwok Chui Lian**
years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?		
(c) Whether there is any unsatisfied judgement against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
(e) Whether he has ever been convicted of	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION (CON'T)

	Mr Ong Seet Joon Amos	**Ms Kwok Chui Lian**
any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?		
(f) Whether at any time during the last 10 years, judgement has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION (CON'T)

	Mr Ong Seet Joon Amos	Ms Kwok Chui Lian
management of any entity or business trust?		
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he has ever been the subject of any order, judgement or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of: (i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or (ii) any entity (not being a corporation) which has been investigated for a breach of any	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION (CON'T)

	Mr Ong Seet Joon Amos	**Ms Kwok Chui Lian**
law or regulatory requirement governing such entities in Singapore or elsewhere; or (iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?		
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION (CON'T)

	Mr Ong Seet Joon Amos	**Ms Kwok Chui Lian**
Singapore or elsewhere?		
Disclosure applicable to the appointment of Director only		
Any prior experience as a director of a listed company? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	N.A.	N.A.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION (CON'T)

	Mr Tan Kim Seng
Date of Appointment	1 July 2024
Date of last re-appointment	N.A.
Age	64
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of the Company, having reviewed and considered the Nominating Committee's assessment of Mr Tan Kim Seng's qualifications and work experience, is of the view that Mr Tan Kim Seng possesses the requisite experience and capabilities to assume the responsibilities as an Executive Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	The appointment is executive.
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Director
Professional Qualifications and Working experience and occupation(s) during the past 10 years	Bachelor of Science, Cornell University School of Hotel Management
Shareholding interest in the listed issuer and its subsidiaries	No
Any relationship (including immediate family relationships with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	N.A.
Conflict of Interest (including any competing business)	1. Independent Representative of Board of Club Wyndham Asia, a timeshare members club; and 2. Owners Advisor to the Hunza Group (a Penang-based Malaysian property development and investment company).

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION (CON'T)

	Mr Tan Kim Seng
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes
Other Principal Commitments Including Directorships Past (for the last 5 years)	1. Mandarin Hotel (Singapore) Private Limited; 2. Singapore Mandarin International Hotels; 3. Hotel Investment (Marina) Private Limited; 4. Singapore Meritus Hotels Pte. Ltd.; 5. Meritus Hotels Pte. Ltd.; 6. Meritus International Pte. Ltd.; 7. OUE Trademarks Pte. Ltd.; 8. Chatterbox Pte. Ltd.; 9. Chenexpress Pte. Ltd.; and 10. Amara Holdings Limited
Present	None
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.	
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No
(b) Whether at any time during the last 10 years, an application or a	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION (CON'T)

		Mr Tan Kim Seng
	petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	
(c)	Whether there is any unsatisfied judgement against him?	No
(d)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION (CON'T)

	Mr Tan Kim Seng
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No
(f) Whether at any time during the last 10 years, judgement has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION (CON'T)

		Mr Tan Kim Seng
(g)	Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No
(h)	Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No
(i)	Whether he has ever been the subject of any order, judgement or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No
(j)	Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of: (i) any corporation which has been investigated for a breach of any law or regulatory requirement	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION (CON'T)

	Mr Tan Kim Seng
governing corporations in Singapore or elsewhere; or (ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or (iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or (iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	
(k) Whether he has been the subject of any current or past investigation or	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION (CON'T)

	Mr Tan Kim Seng
disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	
Disclosure applicable to the appointment of Director only	
Any prior experience as a director of a listed company? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	N.A.

ANNUAL GENERAL MEETING
HIAP HOE LIMITED

Company Registration Number 199400676Z
(Incorporated in the Republic of Singapore)

This form of proxy has been made available on SGXNet and the Company's website and may be accessed at the URL: https://www.hiaphoe.com/annual-general-meeting/2025.

Important:

1. This Proxy Form is not valid for use by CPF/SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
2. CPF/SRS investors who wish to vote should contact their CPF Agent Banks or SRS Operators to submit their votes by 10.30 a.m. on 17 April 2025.
3. Relevant intermediaries (as defined in Section 181 of the Companies Act 1967 may appoint more than two (2) proxies to attend, speak, and vote at the Annual General Meeting.

PROXY FORM

(Please see notes overleaf before completing the Proxy Form)

I/We ______________________________ (name) ____________________ (NRIC/Passport no.)

of ____ (address)
being a *member/members of Hiap Hoe Limited (the "**Company**"), hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Shareholdings	
			No. of Shares	%

and/or (delete as appropriate):

Name	Address	NRIC/Passport Number	Proportion of Shareholdings	
			No. of Shares	%

or failing him/her, the Chairman of the Annual General Meeting as my/our proxy to attend, speak and to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at Aloft Singapore Novena (West Wing), 16 Ah Hood Road, Zhongshan Room Level 2, Singapore 329982 on Wednesday, 30 April 2025 at 10.30 a.m. and at any adjournment thereof.

I/We direct my/our proxy(ies) to vote for or against the Resolutions, or to abstain from voting on the Resolutions, to be proposed at the Annual General Meeting as indicated hereunder.

If no specific direction as to voting is given or in the event of any other matter arising at the AGM and at the adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her discretion.

No.	Resolutions relating to:	For*	Against*	Abstain*
Ordinary Resolutions				
1	Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2024			
2	Payment of proposed final dividend of 0.5 Singapore cent per ordinary share			
3	Re-election of Mr Ong Seet Joon Amos as a Director			
4	Re-election of Ms Kwok Chui Lian as a Director			
5	Re-election of Mr Tan Kim Seng as a Director			
6	Approval of Directors' fees amounting to S$145,000			
7	Re-appointment of Messrs Ernst & Young LLP as Auditors and authorisation for Directors to fix their remuneration			
8	Authority to allot and issue new shares and convertible securities			

* If you wish to exercise all your votes "For" or "Against" the Resolution or to abstain from voting on the Resolution in respect of all your votes, please indicate your vote "For" or "Against" or "Abstain" with a "√" or a "X" within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _______day of ____________ 2025

Total Number of Shares in:	
(a) CDP	
(b) Register of Members	
TOTAL	

____
Signature(s) of shareholder(s) or
common seal of corporate shareholder

Notes:

1. The AGM will be held in a wholly physical format, at Aloft Singapore Novena (West Wing), 16 Ah Hood Road, Zhongshan Room Level 2, Singapore 329982 on Wednesday, 30 April 2025 at 10.30 a.m. There will be no option for shareholders to participate virtually.

2. (a) A member who is not a relevant intermediary (as defined in Section 181 of the Companies Act 1967) is entitled to appoint not more than two proxies. Where such member's instrument appointing a proxy(ies) appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the Proxy Form. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as alternate to the first named proxy.

   (b) A member who is a relevant intermediary is entitled to appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing a proxy(ies) appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument. Where the number and class of shares in relation to each proxy is not specified, it will be assumed that each proxy is appointed in relation to an equal number of shares divided amongst the proxies.

3. A proxy need not be a member of the Company.

4. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy shall be deemed to relate to all the shares held by you.

5. The instrument appointing the proxy(ies), together with the letter or power of attorney or other authority (if applicable), if any, or a duly certified copy thereof must:
   (a) if sent by post, be deposited at the registered office of the Company at 18 Ah Hood Road, #13-51 Hiap Hoe Building At Zhongshan Park, Singapore 329983; or
   (b) if submitted by email, be received by the Company at hiaphoe@hiaphoe.com, in either case not less than 72 hours before the time appointed for the Annual General Meeting, and in default the instrument of proxy shall not be treated as valid.

   A member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

6. If sent by post, the instrument appointing a proxy(ies) must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy(ies) is executed by a company, it must be either under its common seal or signed on its behalf by a duly authorised officer or attorney.

7. Where the instrument appointing a proxy(ies) is submitted by email, it must be authorised in the following manner:
   (a) by way of the affixation of an electronic signature by the appointer or his/her duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation; or
   (b) by way of the appointor or his duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation signing the instrument under hand and submitting a scanned copy of the signed instrument by email.

8. Where an instrument appointing a proxy(ies) is signed or, as the case may be, authorised on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument appointing a proxy(ies), failing which the instrument may be treated as invalid.

9. Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the Meeting.

General:
The Company shall be entitled to reject the Proxy Form if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the Proxy Form (such as in the case where the appointor submits more than one instrument appointing a proxy(ies)). In addition, in the case of members whose shares are entered against their names in the Depository Register, the Company may reject any Proxy Form lodged if such members are not shown to have shares entered against their names in the Depository Register as at 72 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By attending the Meeting and/or any adjournment thereof or submitting an instrument appointing a proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Teo Ho Beng (Executive Chairman)

Teo Keng Joo, Marc (Chief Executive Officer)

Tan Kim Seng (Executive Director)

Chan Kum Onn Roger (Lead Independent Non-Executive Director)

Ong Seet Joon Amos (Independent Non-Executive Director)

Kwok Chui Lian (Independent Non-Executive Director)

AUDIT AND RISK COMMITTEE

Chan Kum Onn Roger (Chairman)

Ong Seet Joon Amos

Kwok Chui Lian

NOMINATING COMMITTEE

Kwok Chui Lian (Chairman)

Chan Kum Onn Roger

Ong Seet Joon Amos

REMUNERATION COMMITTEE

Ong Seet Joon Amos (Chairman)

Chan Kum Onn Roger

Kwok Chui Lian

CHIEF FINANCIAL OFFICER

Irene Cheah Lan Kwee

JOINT COMPANY SECRETARIES

Lee Yuan

Tan Swee Gek

REGISTERED OFFICE / BUSINESS OFFICE

18 Ah Hood Road #13-51

Hiap Hoe Building At Zhongshan Park

Singapore 329983

Tel: +65 6250 2200

Fax: +65 6808 8803

Email: hiaphoe@hiaphoe.com
www.hiaphoe.com

SHARE REGISTRAR AND SHARE TRANSFER OFFICE

Boardroom Corporate & Advisory Services Pte Ltd

1 Harbourfront Avenue

#14-07 Keppel Bay Tower

Singapore 098632

AUDITORS

Ernst & Young LLP

Public Accountants and Chartered Accountants

One Raffles Quay

North Tower, Level 18

Singapore 048583

AUDIT PARTNER-IN-CHARGE

Briston Loo

(Appointed with effect from financial year ended 31 December 2024)

HIAP HOE LIMITED
Company Registration No. 199400676Z

18 Ah Hood Road #13-51
Hiap Hoe Building At Zhongshan Park
Singapore 329983
Tel +65 6250 2200 Fax +65 6808 8803

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